

The NATIONAL UNDERWRITER

Life Insurance Edition

HOW DO YOUR
MEN MAKE SO
MUCH MONEY?

YOUR ADS IN LIFE ASSOCIATION
NEWS ARE INTEREST-AROUSING

*Just read your Ad.
It is most impressive*

... ALL OF WHICH ADDS UP TO WHAT?

It simply means that most men and women are completely normal. They are interested in the success stories of others. They have ambition and confidence in their own ability to duplicate those success stories.

(Our experience is that they frequently do.)

When we first announced that the top hundred Franklin representatives averaged nearly \$10,000 last year, we received an amazing number of inquiries. The gist of them was: "How do they do it? What have you got that is so unusual? I'm interested."

We like to tell the success stories of some of these inquirers. For example, the famous "Mr. E" who now leads our entire sales organization; and the new representative in Indiana who in his first month sold over \$550,000 of Franklin insurance.

If you are interested in a success story of your own, inquire about a Franklin agency franchise. We'll be glad to tell you "how they do it," and explain the remarkable sales tools they use.

WHEN I GET OUT OF
SERVICE I'D LIKE TO
DISCUSS A CONTRACT

That Opportunity
advertised in Best's
Insurance News
interests me...

*I'd like to
represent your
company in
Arkansas*



The Friendly
FRANKLIN LIFE INSURANCE COMPANY

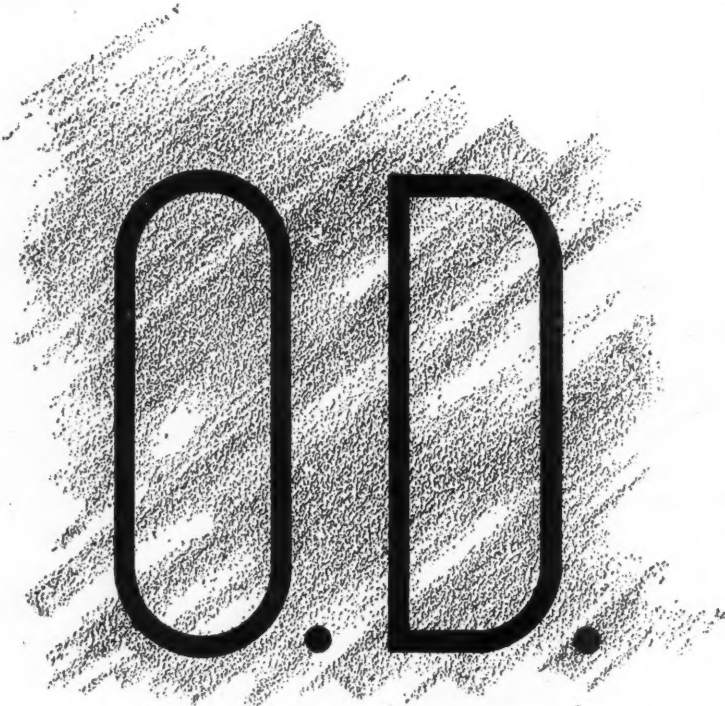
CHAS. E. BECKER, PRESIDENT

SPRINGFIELD, ILLINOIS

DISTINGUISHED SERVICE SINCE 1884

One of the 15 Oldest Stock Legal Reserve Life Companies in America

FRIDAY, NOVEMBER 23, 1945



O.D.

Often Described as:

The Savings Plan that pays you
when you're sick or hurt

Observation Demonstrates that it is:

A Plan the Public wants today

THE OHIO STATE LIFE
Insurance Company
COLUMBUS 15, OHIO

CLARIS ADAMS, President

FRANK L. BARNES, Vice President

In charge of Agencies

Expect Truman Health Program to Be a Dud

Little Fear Is Found on Score of Immediate Enactment

Although the rank and file of insurance people, particularly those with capital interest in accident and health and workmen's compensation may have been stunned by President Truman's message to Congress Monday on a national health program, those in the know in the world of social security legislation had discounted this message in advance; they knew it was coming and they are confident that it will not eventuate in the enactment of legislation, at least not at this time.

Mr. Truman's program embraces several features of the Wagner-Murray-Dingell bill. Of paramount interest to private insurance people is the recommendation of a system of prepaid medical, hospital, surgical, dental and related services, and for a federal system of weekly cash indemnities for accident and sickness. The former feature would be provided by means of a 4% payroll levy, but the cash indemnity benefits would apparently be integrated with the old age and survivors benefits of social security and would call for still further taxes—"adjustment of the premium" the President calls it. Mr. Truman said he would have more to say on that subject later.

See Labor Angle

Most observers believe that the Truman message was calculated to woo labor; possibly also to get the public to change the subject from strikes and international politics to a big domestic issue that is less embarrassing to the administration.

It appears that the medical profession will lead the fight against the Truman program, as the issue of socialized medicine was immediately joined when the American Medical Association released an editorial that is to appear in the Nov. 24 edition of its Journal.

Even though those in close touch with the Washington scene flatly predict that this program will get a cool reception from Congress, the Truman message will serve to agitate with fresh force the question of expanding the social security setup. The Wagner-Murray-Dingell measure, having been reintroduced in several sessions of Congress, has lost motive power and the opponents have not had difficulty in keeping it a sleeper. Mr. Truman now at least gives that legislation a new lease of life. The fact that Congress peremptorily denied Mr. Truman his \$25 a week minimum unemployment compensation is taken as the best kind of evidence that Congress will be equally cool to the monumental health program, involving as it does such radical change in relationship between the populace and its health services and embracing substantial payroll deduction, of which the average employee thinks he has plenty.

The Truman program, as is, would, of course, deal a lethal blow to large segments of the accident and health business and the cash indemnity feature, if it made no distinction between occupational and other accidents would

Timetable Is Completed For Commissioners Parley

The committee for the mid-winter meeting of the National Association of Insurance Commissioners in Grand Rapids, Dec. 2-6, has released the program for committee meetings and general sessions at the Pantlind Hotel.

David F. Broderick, president of Dearborn National, who is chairman of the entertainment committee, has also released the schedule of events under the supervision of his committee. The schedule of business sessions is given herewith.

Sunday, Dec. 2

10 a.m.—Fraternal committee—Schubert room; chairman, Sullivan, Washington; agenda: N. F. C. mortality table.
2:30 p.m.—Executive committee—Schubert room; chairman, Thompson, Oregon; agenda: Reports of sub-committees.

Monday, Dec. 3

9 a.m.—Accident and health committee—Furniture Club; chairman, Parkinson, Illinois; agenda: Report of sub-committee on official guide for filing accident and health contracts; report of sub-committee for revision of standard provisions; uniform "house confinement" clause; definition of wholesale or franchise accident and health insurance.
10 a.m.—Casualty and surety sub-committee—Schubert room; chairman, Gibbs, Texas.

11 a.m.—General session—Grill room; President McCormack, Tennessee, presiding; Welcome, Forbes, Michigan commissioner; Lt. Gov. Brown; Mayor Welsh; response by the vice-president of the association; roll call by states.

12:15 p.m.—Luncheon.
2:30 p.m.—Life sub-committee on group life insurance—Furniture Club; agenda: amendments to group life definition.
2:30 p.m.—Workmen's compensation sub-committee—Schubert room; chairman, Gibbs.
3:30 p.m.—Fire and marine committee—Furniture Club; chairman, Carroll, Rhode Island.
4:30 p.m.—Examinations committee—Schubert room; chairman, Read, Oklahoma.

Tuesday, Dec. 4

9 a.m.—Workmen's compensation committee—Furniture Club; chairman, Hodges, North Carolina.
9 a.m.—Fire and marine committee—Schubert room; chairman, Carroll.
10 a.m.—Valuation of securities committee—Schubert room; chairman, Dineen, New York.
11 a.m.—General session—Grill room; agenda: Reports of committees, other business.
2 p.m.—Joint meeting federal legislation and rates and rating organization committee—Grill room; chairman, Harrington, Massachusetts.

Wednesday, Dec. 5

9 a.m.—Fire prevention committee—Schubert room; chairman, McKenzie, Arkansas.
9 a.m.—Casualty and surety committee—Furniture Club; chairman, Bowles, Virginia.
10 a.m.—Life committee—Furniture Club; chairman, Ailyn, Connecticut; agenda: Report of sub-committee on group life definition.
11 a.m.—Executive committee—Grill room; chairman, Thompson; agenda: Report of sub-committees; time and place of June meeting.
2 p.m.—General session—Grill room; agenda: Reports of committees.

Thursday, Dec. 6

10 a.m.—General session—Grill room;

put a serious crimp in the workmen's compensation insurance field.

While old age and survivors benefits are credited by most life insurance men with actually stimulating the sale of commercial life insurance, it is unlikely that a federal sick and accident benefit program would have the same buoyant effect on accident and health insurance. There would be those in the upper income brackets that would desire to supplement their federal policy with private insurance, but there is a limit to the amount of sick-accident benefits that an individual wants and that the insurer is willing to provide, so that a federal system would come nearer to being mutually exclusive than it is in the life insurance realm.

agenda: Reports of committees.

Herewith is the schedule of events as arranged by the entertainment committee.

Sunday, Dec. 2

5-9 p.m.—Reception, commissioners, visiting ladies and guests, Furniture Club.

Monday, Dec. 3

12:30-2:15 p.m.—Luncheon, ballroom; toastmaster, George Carter, Detroit Insurance Agency; guest speaker.
7-9 p.m.—Dinner. Officers and members of the executive committee of N.A.I.C., Sadler room.
9-12 p.m.—Informal dance, Grill room.

Tuesday, Dec. 4

12:30 p.m.—Ladies luncheon, Kent Country Club; talk by Arthur Shera, "The Romance of Rug Making."
5:30-7 p.m.—Reception, ballroom.
7-9:45 p.m.—Banquet, Civic auditorium; toastmaster, Mr. Carter.
10 p.m.—Informal dance, the Pantlind, ballroom.

Wednesday, Dec. 5

1 p.m.—Luncheon, visiting ladies, Rowe Hotel English room; tour of furniture museum.
6:30 p.m.—Dinner, visiting ladies, University Club; style show; book review by Mrs. Paul Goebel.
9 p.m.—Pamunkey ceremonial, "Pamunkey Tribe of Real Indians"; Furniture Club, stag, informal.

LANSING, MICH.—Governor Kelly has urged the insurance committee of the Michigan house and senate to attend the meeting of the National Association of Insurance Commissioners in Grand Rapids Dec. 4 and especially the session at which final recommendations are to be filed with the commissioners relative to the best methods to be pursued in assuring retention of the essentials of insurance regulation in the states.

He said he was relaying to the legislators a warning from Commissioner Forbes to the effect that Michigan's regulatory laws must be adequately revised by Jan. 1, 1948.

Travelers Names Three War Veterans as Field Aids

Three field assistants in the life department, all war veterans, have been appointed by Travelers. They are William W. Barksdale, assigned to New Haven; Edwin Riggs Jordan, Newark; and Donald A. Murray, Manchester, N. H.

Mr. Barksdale was graduated from Yale. For more than four years he served in the army and at the time of his release held the rank of lieutenant colonel. From 1939 to 1941 he served as instructor at Culver Military Academy and for five years prior to that he owned and published the Clarksville, Tenn. "Star."

A native of New Mexico, Mr. Jordan recently was released from the navy with which he served four years, holding the rating of chief yeoman at the time of his discharge. He has had several years insurance experience having been associated as an agent, first with Reliance Life and later Southwestern Life in Houston.

Mr. Murray, a native of Manchester, served almost five years with the army air force.

Visual Sales Aids Demonstrated

T. W. Foley, general agent of State Mutual Life, New York City, spoke at the November luncheon meeting of the Worcester (Mass.) Life Underwriters Association. He spoke on the use of visual aids in selling insurance. He exhibited the visual aids that he uses and made a comparison showing how other lines of industry merchandise their products.

Satterfield Now Executive Director of L.I.A.

Bruce Shepherd, Actuary 13 Years, Is Advanced to Manager

NEW YORK—Dave E. Satterfield, Jr., who resigned from Congress early this year to become general counsel of Life Insurance Association of America, was elected executive director at a special meeting of the directors. He is the first to hold the post, which was created about a year ago. At the same time Bruce E. Shepherd, who has been actuary of the association for the last 13 years, was elected manager.



D. E. Satterfield

Mr. Satterfield, who continues as general counsel, will have full responsibility for policy and executive direction while Mr. Shepherd will be in charge of administration. This gives the association a leadership with a composite of expert knowledge on laws, legislation and actuarial matters to permit a thorough analysis of all matters of policyholder interest.

Mr. Satterfield, a Virginian, attained eminence in law and politics. Born in Richmond in 1894, he was educated there and graduated from University of Richmond in 1916. He entered law practice, passing his bar examination before reaching the age of 21. He served in the navy in the first war, rising from the ranks to lieutenant in aviation. His two sons were naval fighter pilots in the second war.

Entered Congress in 1937

After his naval service Mr. Satterfield resumed the practice of law and two years later was elected state's attorney in Richmond, a post held for 12 years. During that time he tried thousands of cases, including 389 homicide cases. He returned to the private practice of law but maintained an active interest in state politics, managing the campaign of George Peary when he was elected governor in 1934. Three years later Mr. Satterfield was elected to Congress from the third district of Virginia and was reelected for the four succeeding terms.

In none of these campaigns did he have any opposition and he had been elected to his fifth term only a few weeks prior to joining the association as general counsel.

In Congress Mr. Satterfield served on the judiciary committee. He was one of the leaders in effecting legislation to correct the situation left by the Supreme Court decision changing the status of insurance. He was also author of important legislation in support of states rights giving states permission to appear by their attorneys-general in which either states rights or resources are involved.

Mr. Satterfield in 1941 was called to active duty in the navy as lieutenant commander on indefinite leave of absence from Congress and was sent to Great Britain on a special secret mission.

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Service to Veterans on NSLI Also Beneficial to Agents

The future of the life insurance business may depend upon the service which life agents render without cost to returning war veterans in connection with their National Service Life Insurance, it was the sense of a veterans' seminar conducted in the Chicago Board Auditorium, sponsored by the Chicago Association of Life Underwriters. Veterans are coming home confused with the problem of reconversion to civilian life, and in large with little or no information about their N.S.L.I. and what they should do with it. They will naturally turn to the life insurance people of the country for such information, and those in the industry must not let them down, Donald F. Barnes, director of research of the National Association of Life Underwriters and director of the veterans' affairs division told the crowd of life agents and managers, general brokers and other insurance men which jammed the board room.

U. S. Officials Also Talk

Two government officials familiar with the veterans' problems took up other aspects. They were C. E. Thorney, director of the veterans' information center in metropolitan Chicago, and Charles W. Bellis, insurance officer in charge of veterans' affairs at Hines hospital, Hines, Ill. Mr. Thorney discussed the obligations of the community toward returning veteran, as to making it possible for him to secure lodgings, apartment or home, a job and so forth. Mr. Bellis counseled the agents to urge the veterans to retain their temporary N.S.L.I. He explained the government is making it easier for them to do so by having extended conversion privilege period from five to eight years.

"Life men are going to meet a lot of returned veterans, and how they serve them will have an important effect on life insurance in the future," Mr. Barnes said. "It will be a tough job to service them. They're dazed now but they will not be confused for long, and many of them will become leaders in the life of this country. In the years to come the veteran will judge you by what you told him when he was dazed and confused. You will have to have the right answers for him or your prestige will go down to zero."

Supply of Needed Forms

The National association has a supply of a chart of veterans' benefits with a key text giving the details, which it is making available to life men throughout the country through their local associations and also upwards of 100,000 copies of about 10 forms which are needed. The benefits listed include civil service preference, education, hospitalization, legal aid, life insurance, loans, mustering out pay, pensions, reemployment, tax relief, unemployment insurance and veterans' organizations. The Chicago life men were urged by Mr. Barnes to give information only on N.S.L.I. and to advise the veterans to go to the veterans' information centers where authoritative information on the other benefits can be secured. The National association's division of veterans' affairs is offering an up-to-the-minute service on veterans' insurance matters, securing memoranda and rulings from the officials at Washington and then relaying this information to local associations and individual members. Mr. Barnes urged that the organization life men who encounter fresh problems relating to N.S.L.I. get in touch with his division, care of the National Association of Life Underwriters, 11 West 42nd street, New York, 18, N. Y., and he said replies will be forthcoming quickly.

In the effort to convince the veterans they should retain N.S.L.I., Mr. Barnes said, there are several effective arguments. One is to say that the N.S.L.I. is cheaper than private life insurance

and the reason for it is that the taxpayers help pay for it. "Since you will pay for it anyway, why not keep it?" Mr. Barnes said is a powerful argument with the service men.

"As to conversion," he said, "that's where the life insurance men come in. They can fit N.S.L.I. into the veterans' life program. It is important for them to know about the options in the government insurance, how to convert it and the three policies that the veteran can secure on conversion. They might explain that he need pay only the lapsed premium and the current premium, and give a simple health certificate upon conversion. Conversion at original age calls only for payment of the net amount of reserve and no interest. They also will have to help him or his beneficiaries on claims, even to helping fill out the claim blanks."

In this connection, Mr. Barnes warned the life agents not to depend upon the veterans' widow or the beneficiary in determining who is the proper beneficiary under the N.S.L.I. contract. This insurance is different from private life insurance, he explained, since payment of the proceeds is restricted absolutely to members of the veteran's immediate family and there is an inflexible order of priority.

Order of Priority Shown

Mr. Bellis had explained this priority is: First the wife or husband, as the case may be; the children; then the father and mother; after that the brothers and sisters. The veteran recently has been able to select his beneficiary from among these relatives where at first he had little choice. The priority list applies without exception where no beneficiary has been named by the veteran.

Mr. Barnes warned the life agents not to depend upon any supposed beneficiary's statement as to whether he or she is the proper beneficiary. He said the Veterans Administration is the only authority which knows without question to whom the proceeds should go. Upon application the V.A. will insert the name and address of the proper beneficiary in a claim blank which the life agent then may help the beneficiary to execute and file.

Bought Insurance Hastily

Mr. Barnes stressed that there is a problem effecting the N.S.L.I. that the life agents can help to eliminate, in that many of these veterans bought the government insurance in a hurry and more or less under pressure when they did not really think they wanted it; they had to pay a substantial part of their

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Expect Reports on Study of N.A.L.U. Headquarters

NEW YORK—The new functions and activities committee of the National Association of Life Underwriters, headed by Carlton W. Cox, Metropolitan Life, Paterson, N. J., met here this week. The committee was named to consider the expansion proposals and to study association activities and N.A.L.U. headquarters' functions as recommended by James E. Rutherford, executive vice-president, at the trustees' meeting in Chicago. The expert named at the request of the N.A.L.U. by Frank L. Rowland, executive secretary Life Office Management Association, reported on his analysis of N.A.L.U. headquarters' operations. The committee also considered the idea of employing an attorney and an actuary as suggested by Mr. Rutherford. N.A.L.U. members have been requested to submit comments and ideas to Mr. Cox.

L.I.A.M.A. Board to Hold First Meeting Dec. 11-12

The first meeting of the directors of the newly organized Life Insurance Agency Management Association is to be held at Hartford, Dec. 11-12. Wendell Hanselman, Union Central, the president, canvassed the group and found that 12 of the 13 intend to be present.

Ask Travel Funds for D. C. Superintendent

WASHINGTON—An increase by at least \$1,000 in the appropriation for the District of Columbia insurance department to enable the superintendent to attend meetings of the N.A.I.C. or its committees at government expense is recommended by the Washington Board of Trade insurance committee. Presently the insurance superintendent must travel at his own expense or unwind a lot of red tape to secure special permission from the D.C. commissioners to draw from their travel expenses. Because of these restrictions, Superintendent Jordan is said to have refused service on N.A.I.C. committees.

Start Okla. City Courses

The Oklahoma City C. L. U. chapter has an enrollment of 12 in the "A" course on life insurance fundamentals and seven in the "D" course on finance. Classes are conducted by Percy A. Trezuse, Massachusetts Protective, and H. Dorsey Douglas, Jr., a graduate of the finance school of the University of Pennsylvania. Jesse Owens, Mutual Life, is chairman of the school management committee.

Holcombe Surveys Great Agency Issues of Hour

Winds Up Chicago Parley. Following Messages from Johnson, Connell

John Marshall Holcombe, Jr., at Chicago last week, gave his last annual convention roundup speech as general manager of the Life Insurance Sales Research Bureau and his first speech as managing director of Life Insurance Agency Management Association.

As usual, he electrified the group, with his broad and yet concise analysis of the problems facing the agency executive and his recital of how the bureau proposes to aid in the solution of these problems.

He stated that L.I.A.M.A. will conduct more and better research than the Research Bureau has done and it will use science more extensively.

L.I.A.M.A., he said, will undertake to induce college authorities to recommend life insurance selling careers, to their top grade students. Presently, he declared, about the only college students that contemplate entering life insurance selling are sons of insurance men and the college authorities don't steer men that way. The only way in which this attitude can be changed is through an institutional approach, not by individual companies, Mr. Holcombe asserted, and he voiced the hope that it will be changed.

Value of Consolidation

The consolidation of Research Bureau and Association of Life Agency Officers into L.I.A.M.A. will serve to remove the limitations that have existed upon the operations of both of the constituent units. For instance, in the past the authority of the Research Bureau has been challenged in connection with various activities on the ground that they did not constitute research, and A.L.A.O. was handicapped in any enterprise it launched because of lack of any kind of a headquarters organization.

Mr. Holcombe outlined several of the broad questions that concern agency officers today.

In the first place there is the sharp change that has taken place in the potential market for life insurance during the war years with a great new element of the population in possession of the wherewithal to buy \$5,000 and \$10,000 policies instead of \$1,000.

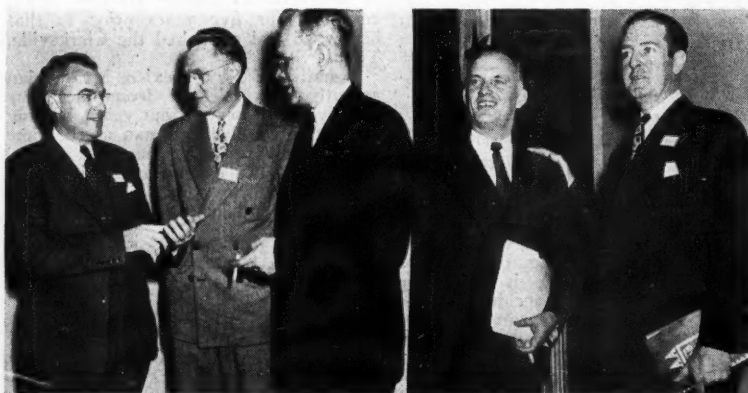
From 1939 to 1944 the liquid wealth, consisting of currency, bank deposits and U. S. government bonds, held by individuals increased from \$50 billion to \$130 billion. Prior to the war 90% of the people held 10% of the liquid wealth. Now that 90% owns 40% of the wealth. In 1939 the average liquid wealth of the top 10% of the population was \$12,500 per family, and this increased to \$20,700 in 1944. On the other hand, the liquid wealth of the 90% of the population increased tenfold from \$154 to \$1,532.

Diffusion of Wealth to Remain

This diffusion of wealth will remain with the masses, Mr. Holcombe predicted, and the market for life insurance has thus undergone the most profound change in history.

Then there is the great question of what sort of an agency structure the companies will now build. He pointed out that the structure to be erected will be based on a foundation of a reduced

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NEW OFFICERS OF LIFE ADVERTISERS ASSOCIATION ELECTED AT ANNUAL MEETING AT NEW YORK:

Russell B. Reynolds, American Mutual Life, president; Henry S. Jacobs, Equitable Life of Iowa, secretary; Donald M. Tudhope, Columbus Mutual, editor "Life Advertiser"; Powell Stamper, National Life & Accident, vice-president, and Albert F. Randolph, Penn Mutual Life, treasurer.

Propose Preferred Stock Valuation Formula to N.A.I.C.

Research Subcommittee Seeks to Broaden Investment Opportunity

With a view to broadening the investment fields for life insurance funds and making a greater share of such funds available for the capital needs of industry, a new method of preferred stock valuation by life insurance companies has been proposed to the National Association of Insurance Commissioners by the life insurance investment research committee, a joint undertaking of American Life Convention and Life Insurance Association of America.

The committee presentation cites the excellent record of high grade preferred stocks over the past 20 years, as to value and yields, and points out that they are suitable for life insurance investment except for the factor of wide fluctuations in market prices under abnormal conditions. It is proposed that, instead of being valued at market price as now required, they be valued by a new formula which would level off the effect of the fluctuations.

The formula provides that in the case of a preferred or guaranteed stock determined to be eligible and held during the entire year of the statement, the asset value at the end of the year shall be the asset value at the end of the previous year, increased or decreased as the case may be by one-fifth of the difference between such asset value at the end of the previous year and the market value as of Dec. 1 of the year of the statement, except that in no event would such asset value at the end of the current year exceed the redemption value. The stocks acquired during the year of the statement would be carried at cost.

It is proposed that the rule for eligibility of preferred stocks be patterned after one of the rules in use for a number of years to determine the eligibility of bonds for amortization. In the case of stocks not on the eligible list, the same formula would apply when the Dec. 1 market value exceeds the previous asset value, with the market price being used otherwise.

In urging the adoption of the proposal, the committee points out that the investment of life insurance funds has become increasingly difficult in recent years and new outlets are being sought.

"Traditionally the life insurance business has made the bulk of its investments in private long-term debt," the committee said. "It will be observed that in 1930 the assets of life insurance companies, at almost \$20 billion, amounted to only about a fifth of the volume of private long-term debt, while now, at about \$40 billion, they amount to somewhat more than one-half of the private long-term debt. Investment grade preferred stocks offer one additional outlet. It seems quite likely that an increasing percentage of new capital will be raised through the issuance of preferred stocks. Should a more stable method of valuing preferred stocks be adopted, the life insurance business would be in a far better position to furnish a larger amount of capital funds to industry and thus contribute to the maintenance of a healthy national economy."

The report was prepared by the committee on preferred stock valuation, a sub-committee of the research committee. The members of this sub-committee are: O. J. Arnold, Northwestern

Sees Little Change in Occupational Hazards

The publicity attending the "wonderful" inventions and discoveries in industry may have produced in underwriters an exaggerated notion of the probable effect of these industrial developments on their occupation ratings, Morris Pitler, Mutual Life, said in his talk before the Institute of Home Office Underwriters at Chicago.

Relatively, the changes required will be few and the number of applicants involved in the changes will be relatively even fewer, he said. The great industries of the country, those important from the underwriting standpoint because they employ large numbers of workers, are not likely to be greatly affected in their occupation ratings in the immediate future.

Division of Workers

Taking the 1940 census figures, Mr. Pitler said there were more than 45 million employed persons in the United States, exclusive of those doing emergency work. Of this number, 8½ million, or about 20% of the total, were in agriculture, forestry and fishery. Post war occupation ratings for this group will not be influenced by technical developments in the war years to any extent. Another 7½ million were in wholesale and retail trade; eight million earned their living in professional, personal, amusement and related service—

National Life; Sherwin C. Badger, New England Mutual Life; George N. Emory (chairman), Home Life; Stephen M. Foster (secretary), New York Life; Harry C. Hagerty, Metropolitan Life; Robert F. Maine, Provident Mutual Life; F. J. McDiarmid, Lincoln National Life; Louis R. Menagh, Jr., Prudential; and Donald B. Woodward, Mutual Life.

of which technicians of one sort or another making up less than 1% of the professional workers might be subject to change in occupation ratings; three million in transportation, communication and public utilities, and two million construction workers. In addition there are 1¼ million in government service and 1½ million in finance, insurance and real estate, plus one million in repair and business services. These categories account for about 75% of all workmen in the country.

Manufacturing Industries

It is in the manufacturing industries that underwriters are more likely to run up against technological changes that may involve changes in occupation ratings, he said. Here too most workers can be ruled out. Out of 10½ million in manufacturing in 1940 there were about three million engaged in making textiles and textile fabricated products, over one million in the preparation of food products, one million in furniture and wood products, and about 3½ million in all metal working industries. Mr. Pitler suggested that possible rating changes might involve fewer than a million workers.

About a year ago, Mr. Pitler said, he took a sample count of business being issued in his company and found that extra occupation ratings of one sort or another—insurance, double indemnity, or waiver of premium rating,—were being placed on 6% of the policies and 5% of the amounts. These figures show how little of a company's business is likely to be subject to occupation ratings and changes brought on by recent developments.

As to new industries, Mr. Pitler said, synthetic rubber has not come up to

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Illinois Seeks Top Membership to Honor Hobbs

Lively Chicago vs. Down state Drive Launched—Stumm Committeeman

By CHARLES D. SPENCER

PEORIA, ILL.—With its enthusiasm bolstered by its increase of 326 in membership since July 1, the Illinois Association of Life Underwriters at its mid-year meeting here pledged every effort to pass New York and Pennsylvania by the time of the Cleveland N.A.L.U. meeting so that Philip B. Hobbs, Equitable Society, Chicago, now N.A.L.U. vice-president, can take over the helm with his home state in the lead. Robert W. De Pau, Jr., Prudential, Chicago member—



B. J. Stumm



T. A. Lauer

slip chairman, suggested the drive at the banquet and challenged Chester T. Wardwell, Connecticut Mutual, Peoria, state membership chairman, in a Chicago vs. down state association membership contest with appropriate bets. Clancy D. Connell, Provident Mutual, New York, N.A.L.U. president then offered to buy the down state leader a hat if Chicago is beaten and Mr. Hobbs countered with an offer of a hat to Mr. De Pau if Chicago wins. Tribute was paid Mr. Wardwell for his successful efforts in passing the 300 goal in new members in the drive preceding the gathering here. The Springfield association's membership committee, headed by David Epstein, with a gain of over 100%, and the Chicago association with a numerical gain of 107, won the prizes.

Stumm Is Named

B. J. Stumm, Northwestern Mutual, Aurora, was named state national committeeman, and state dues were increased from 75 cents to \$1.

The answer to local association training course needs was given by John O. Burch, assistant supervisor distributive education of the state board for vocational education, when he explained the plan through which local insurance courses can be held with state paying two-thirds the cost.

How Plan Works

The local group sponsoring the course outlines the curriculum, selects the instructor and submits its plans to the local high school superintendent or principal who in turn submits the program to the state board. The local school pays one-third the cost but this can be secured by charging the students. As approved expenses are incurred, the state board reimburses the local group two-thirds of the expenses, one-third of which comes from federal funds.

In administering the system the state board leaves the details and objectives of the course entirely up to the local group. Mr. Burch said the board rec-

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"Forgotten Insurance"

Recently our Tampa general agent had the interesting privilege of paying a claim check on a "forgotten policy."

The policyholder had been a filling station proprietor, who was insured in 1935 and paid premiums for four and a half years, then permitted the insurance to lapse. The cash value of the policy was automatically applied to the purchase of extended term insurance of \$500, to be effective up to July 1, 1945.

Eight months before that final date the insured died, but the company was not notified, for the policyholder assumed the policy to be worthless. His mother, who was the beneficiary, was unaware of the value of the insurance. However, in accordance with its usual practice, the company makes periodic checks on deaths, and through the courtesy of another company learned that this insured had died in 1944.

Since the extended insurance was still in force at the time of his death, his mother was located and the check delivered to her. The money was especially important to her because she had lost five close relatives during the past five years.

* * *

THE PENN MUTUAL LIFE INSURANCE CO.

JOHN A. STEVENSON
President

INDEPENDENCE SQUARE, PHILADELPHIA

Selection Men Study Post-War Problems at Parley

C. M. Young Named President; Outstanding Program Is Presented

Changes in the general economy call for alertness and perhaps revision of selection practice on the part of underwriters. This was one of the ideas developed in considerable practical detail at the annual conference of the Institute of Home Office Underwriters in the Edgewater Beach Hotel, Chicago.

Talks and discussion also revealed that with greater experience and with a general trend toward greater social security for the American people, underwriting practices of companies are gradually being liberalized.

The institute meeting was larger than any previous one in the nine-year history of the organization. More than 220 were registered, and as at past meetings, sessions were well attended. A great deal of ground always is covered at the gatherings, and underwriters like to be on hand for every feature of the program. Discussions are long and spirited, and a great many participated with questions or observations.

New Officers

Carl M. Young, assistant secretary of Farmers & Bankers Life, was elected president to succeed Richard T. Sexton, assistant secretary of Connecticut General. Charles J. Smith, assistant secretary of Pan-American Life, advanced from secretary to executive vice-



C. M. Young



R. B. Caplinger



C. J. Smith

president, and Robert B. Caplinger, chief underwriter Reserve Loan Life, Dallas, was continued as vice-president and editor. N. Murray Longworth, chief underwriter of United Benefit Life, an executive committeeman the past year, is the new secretary.

New members of the executive committee are William H. Neely, Standard Life of Mississippi; D. Allen Sheppard, assistant secretary of General American Life; Mr. Sexton, and Vernon Cox, assistant secretary Continental Life, Washington, D. C. John T. Acree, Jr., Lincoln Income Life, Louisville; R. J. Campbell, Continental Assurance, and F. G. Short, Franklin Life, carry over.

Sexton's Address

Three problems face the underwriter, Mr. Sexton said in giving his presidential address. These are mortality, volume and type of business to be written and sources of business.

There is no indication that there will

(CONTINUED ON PAGE 12)

Agent Asks Selection Men for Quicker Underwriting Decisions, More Sympathy

The agent's attitude toward underwriting was ably presented by D. S. Walker, manager of Mutual Benefit Health & Accident and United Benefit Life at Philadelphia, before the Institute of Home Office Underwriters at its meeting in Chicago.

Recalling the 1944 meeting of the institute, Mr. Walker said he did not like the emphasis placed on an underwriting committee. Such a procedure is necessary perhaps in handling large or difficult cases, but when adopted for purposes of meeting agency underwriting problems, it makes for less initiative and responsibility on the part of the underwriter and causes delay. The time element is all important in underwriting, he declared. Each final underwriter should have full authority so that when a case or file is complete he can kick it out if he cares to exercise that authority. He said he did not think many companies ever went broke on their underwriting. The rules of insurance are so drawn that the company is safeguarded. He said he used to do health and accident underwriting in the home office and while the tendency was not constantly to pass the buck, the instinct was to give a difficult decision to the next fellow and he passed it on to his superior. This "funnel" underwriting slowed everything down, he said.

Live Between Sales

Agents live between sales, Mr. Walker pointed out, some from financial necessity and others because they want to complete the job and can't rest until the policy is delivered. They know from experience that a dozen things can happen to upset a sale between the date of purchase and delivery. The longer the time elapsed, the greater the hazard becomes.

Mr. Walker suggested reversing the committee idea and set up one to help the agency department with its problems. He said his experiences in the health and accident underwriting department prompted him to get into agency work. He noticed that a certain agent wrote a lot of milk drivers, another office secured many railroad workers although the opportunities there for that business were no better than in some other territory. One office has a certain sales idea and one agent a certain method. It works because the business comes in day after day. A little analysis on the underwriter's part will turn up a lot of information of this sort that the agency department is not aware of about its own field force, Mr. Walker believes. Such information as to methods or ideas used by one agency or salesman should be passed on to all the salesmen of the company. The underwriter has his finger on the pulse of the business if he would interpret it.

Prompt Decisions Vital

A prompt underwriting decision is vital to the agent, Mr. Walker declared. Even an unfavorable decision is much better received if it comes at once than if it reaches the agent several days or weeks later. Often there are several loose ends to a case, and sometimes these are important and sometimes they are unimportant in the handling of it. Often it appears to the agent that the home office insists on delaying to write back for trivial information which, when it is received, whether pro or con, does not influence the final decision. If the agent has to put in a lot of extra effort in getting the information with the resulting delay and extra work, he is twice as tough to reason with when a "no" comes down. There sometimes appears to be a tendency to build a file for the records that will sustain the decision, even though in many instances the underwriter already has his mind 99% made up. Quick decisions make for better relations with the agents and this benefit more than offsets the small

of error that might creep in as the result of confidence.

In handling brokerage, service is about all an agency has to sell. When on a large case he needs to place some of the business outside of his own company there are usually several places he can go and get essentially the same coverage at cost. What he wants is quick action and if the agency can demonstrate that his office and company are geared to give it to him, they will get the business. The secret of good service is personnel and proper handling of personnel, and the secret of personnel is to give them responsibility and authority. They will measure up to it, he said. Some managers and department heads are afraid to do this for fear their help will overshadow them, but the contrary is true. The more capable men trained and developed the greater the manager's prestige. This is quite obvious in a company that is growing rapidly, and younger employees are quickly faced with constantly increasing responsibilities. The results are excellent.

Need Public Relations Work

Mr. Walker suggested that underwriters do more public relations work in their own company, get themselves more widely known among the agents through the company publication or otherwise. This will make the agent more sympathetic and when he understands the underwriter's problems his underwriting will improve. Good or bad, 60% of underwriting is done in the field, he declared. There are thousands of human interest stories that go over the desk of the underwriter every day. The underwriter should place himself in the position of the agent, Mr. Walker said. After all, it is through the agent that the public knows a company.

High Court Takes Jurisdiction

WASHINGTON—The U. S. Supreme court will review decisions of South Dakota courts in Commercial Travelers vs. Wolfe. It granted a writ of certiorari, which insures a hearing. Involved is claim of Wolfe, assignee of claim based on Ford Shane's death from an idiosyncrasy to an anaesthetic, which Commercial Travelers asserted was not due to accidental, violent cause. Wolfe won a decision in the South Dakota supreme court.

Big October Business Honors Ashbrook

In the October campaign to honor President E. S. Ashbrook, North American Life agents this year surpassed all previous October production records with a total of \$2,365,000 of business, an increase of \$900,000 over President's month a year ago and the biggest single month since December, 1931.

The leading agency was that of John W. Hoffman, Peoria, Ill. Second was that of Harry O. Kramer, manager Columbus, O. Leading personal producer was Joe Bruckman of Peoria, who will be awarded the traditional president's chair. Harley Knapp of Rockford, Ill. was runner-up. The first ten leaders in production will be awarded a place in the president's cabinet and receive the cabinet chair and specially engraved stationery designating them as members of the cabinet.

Production showed a 16% increase in the first 10 months.



E. S. Ashbrook

Continental's 1-2-0, 2-5-0 Clubs Meet as 150 Qualify

Sales Methods, Group Plans, and Company Status Discussed

The One-Two-O and Two-Five-O clubs for Continental Assurance agents with an annual volume of business exceeding \$120,000 and \$250,000 respectively held their annual meeting in Chicago, with the company's leading producers summarizing their sales methods and ideas. The general agents and managers association of Continental held its annual meeting on the day following the club conventions. Exactly 150 producers qualified for the clubs.

The club convention opened as Marsh Simms, superintendent of agents, introduced the new members. Roy Tuchbreiter, president of Continental Assurance, welcomed the club members. He paid tribute to H. A. Behrens, late president and summarized the ideals of the company by saying:

"This is an American company. There is no bigotry in our ranks. We want no supermen; our policy is to tell the truth."

Morris H. Kaliff, San Antonio, president general agents and managers association, greeted the club members and outlined some of his sales methods. Rollin M. Clark, first vice-president of Continental, talking on "Our Balance Sheet," analyzed the assets and the financial position of the company.

Dwight G. Johnson, Philadelphia, writer of the largest volume of ordinary business excluding group, and fifth time president of Continental's producers' club, stated there is a tendency for agents to give too much attention to expert services on taxes, trusts, etc., pointing out that 98% of purchasers buy policies below \$10,000. He urged study of sales methods.

In a talk entitled "Pay for your time with an accident and health line," J. M. Smith, vice-president of Continental Casualty, pointed out that hospitalization contacts will open the door for life sales. He praised Continental's development of coverage for unusual risks, which permit more efficient industrial development.

Philip C. Belber, Newark, speaking on "Common Sense Sales Ideas," told how to get across the idea of life insurance as an investment leading in soundness and security. Harry J. Metcalfe, Louisville, described how to show clients how life insurance supplements social security.

Perhaps the greatest response to any talk was aroused when Lt. Leonard Kramer of the army air corps "pinch-hit" for his father-in-law, Maurice C. Chier, Milwaukee, reading, "My 24 years of life insurance experience in 15 minutes." Lt. Kramer, who was shot down over Germany, confined in a Nazi prison camp, and then escaped to the Russians, read how Mr. Chier, as a young family man, underwent unusual financial adversity to stay in insurance.

The first session was concluded with an address by Dr. H. W. Dingman, vice-president and medical director.

The Million Dollar Group Club sponsored the second session, a group insurance forum. Robert W. Weddell, assistant vice-president, presided. Chairman of the club is Joshua B. Glasser, Chicago, who had an annual volume of \$21 million. Vice-chairman is Dwight G. Johnson, whose volume was \$17 million.

(CONTINUED ON PAGE 12)

Recruiting Service Men Is Discussed

**Dern and Lamb
Speak at Peoria Session
for Managers**

PEORIA, ILL.—Millions of eager young men looking for good and permanent jobs are now available to relieve the acute manpower shortage in life agencies, Curtis Lamb, Aetna Life, Des Moines, pointed out before the managers and general agents session in connection with the mid-year meeting of the Illinois Association of Life Underwriters here. As an overseas Red Cross field director Mr. Lamb was able to get the viewpoint of the men in service on their postwar job desires and he followed this up by visiting 36 home offices of life companies in writing his new book "Modern Opportunities in Life Insurance."

Mr. Lamb feels that the life business was never so inviting or prosperous as it is today. Average production of agents is high, one company reporting \$181,000 average in 1944 compared with \$85,000 in 1940 while the average earnings of one industrial company's agents increased from \$53 a week in 1940 to \$72 a week in 1944. One agency vice-president reported with pride that 15 of his field men had made more than he had the year before. This reflects the unusual opportunity in the life insurance business where bosses are happier if the agent makes more money, Mr. Lamb emphasized.

Two Weaknesses Need Correction

Mr. Lamb feels that the present compensation system is satisfactory for established agents but there is an obvious deficiency in income at the start which progressive companies are recognizing by paying starting salaries. If the starting salary plan is more universally applied it will also act as a brake for indiscriminate recruiting, he pointed out. The new life-time renewal system helps meet the problem of older agents facing the period when regular renewals start diminishing. By correcting the two weaknesses at the start and end of a man's career the life insurance business has a basic compensation system attractive to young men of initiative and sales capacity, he asserted.

The renewals which men in service received attracted considerable favorable comment about the opportunities in life insurance from their fellow service men, Mr. Lamb reported.

Earnings of Agents

In analyzing the earnings of established men in the business, Mr. Lamb found that out of 4,671 agents 30.4% earned over \$4,000; 36.4% between \$2,250 and \$3,150 while the balance averaged \$1,350 a year.

The payment of salaries to new agents should be favored by established men as companies will be more careful in hiring men if they stand to lose money on salary arrangements. Furthermore, if new men are given intensive training the companies will also seek to safeguard their investment in the money so spent by careful selection. Mr. Lamb feels that the aptitude tests are a great step forward. Although the rating plans used by the armed forces were not perfect by and large they helped to put the right man in the right job. He cited the records of one group of 924 beginning salesmen which showed that on the average four "A" men produced as much business as 19 "E" rated men.

Right Point Plan

In discussions among service men Mr. Lamb found that the majority welcomed the opportunity to return to school and that the older men with family responsibilities regretted that they could not take advantage of the G. I. plan. These men

can be attracted by thorough life insurance plans.

In discussing what he would do if he were a general agent, Alfred L. Dern, agency vice-president Lincoln National Life, said he would devote one hour a day to thinking about: 1. Nothing except recruiting. 2. Increasing the earnings of his most promising agent. 3. Aiding his most promising recruit. 4. Why he entered the business which would aid him in recruiting. 5. Why he bought life insurance. 6. Saying "yes" to every reasonable request as general agents tend to say "no" all the time. 7. Checking plans. 8. Quit stalling.

Mr. Dern suggested an IDWC or "I don't want cripples" training plan, "I" standing for instruct, "D" for demonstration, "W" for watch man and see he does it, and "C" for checking.

Miss A. V. Bowyer, executive secretary of the San Francisco Life Underwriters Association and for many years correspondent there of THE NATIONAL UNDERWRITER, who was stricken with a heart attack about two weeks ago, has recovered sufficiently to leave the hospital, where she was confined for 12 days. She is now at her sister's home, where she is expected to remain for another month.

Discuss Round Table for N. Y. State

The question of establishing a quarter-million dollar round table was discussed at the fall meeting of the New York State Association of Life Underwriters in Syracuse. Action on the matter will probably be taken at the annual meeting next year.

Confirm McCarty in Post

Committee action taken last July in appointing Spencer L. McCarty, supervisor of the Perkins agency of Provident Mutual, as executive secretary in Albany was confirmed. It was explained that Mr. McCarty is for the time being acting as liaison between the various committees as well as acting as an information center on life insurance. It is expected that within a year the job will require Mr. McCarty's full time.

The association will publish a history of its activities in pamphlet form in about a month.

It was also decided to set up a bureau in Albany to provide speakers and to aid the member associations in preparing their programs. Several amendments to the constitution were approved.

Clancy D. Connell, president of the

National association and Edward R. Gettings, Northwestern Mutual, were elected honorary delegates. Julian S. Myrick, vice-president Mutual Life, and Carl Typermass, deputy superintendent, were present as guests at the meeting.

The time of the next annual meeting has been set for next May in Syracuse to be held jointly with the Syracuse association.

Claim Grace Period Required

COLUMBUS—The Ohio department has filed its answer to the suit of John Hancock Mutual Life in respect to periods of grace. The state claims the standard provision for individual policies applies to group policies as well. Ohio has a standard provision for group insurance but no mention is made in it of periods of grace. The state claims the policy being written by John Hancock in Ohio does not conform to the standard provision section, which requires: "A provision for grace of one month for the payment of every premium after the first, which may be subject to an interest charge, during which month the insurance shall continue in force, which provision may contain a stipulation that if the insured shall die during the month of grace, the overdue premium will be deducted in any settlement under the policy."



THE TIME IS — NOW

For the new business starting up during these early post-war days there is a particular need for business life insurance.

The policy to fit that need should offer maximum protection at a reduced cost during the first five years.

Suggest The Prudential's Modified Life 5.

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A MUTUAL LIFE INSURANCE COMPANY



INSURANCE COMPANY OF AMERICA

HOME OFFICE . . . NEWARK, N. J.

Amicable Life Actuary Advocates Permanent Abandonment of War Clause

Easley Urges Payment of Full War Claims Retroactively

No policy should ever again contain a war clause or any restriction that would operate against the public good, K. H. Easley, actuary of Amicable Life, Waco, Tex., declared in his talk before the Institute of Home Office Underwriters in Chicago.

The life insurance industry is too big to engage in any such practice even though permitted to do so by law, he said.

Collect Premiums, Pay Claims

"We are in this business to collect premiums and pay claims," he said. Although some companies are slow in considering the payment of war claims retroactively and others have announced that they would not do so, Mr. Easley said he believed that the majority of the companies eventually will take action favorable to the policyholder.

Amicable Life immediately after V-J

day reopened all cases under which liability had been limited by its war clause and paid the balance of the face amount in full. There was no legal obligation for it to do so, but the management felt a moral obligation, he said. The company had told its agents that as in the last war the full face amount would be paid if the experience justified payment. The experience did, so it paid.

Mortality Saving

The boys who were spared from an earlier death by reason of improvement in mortality since 1900 formed part of an army of 5,000,000 such persons who would not otherwise have been alive to fight World War II, he said. Insurance was blessed with a low mortality in the years before the war and should therefore have paid these claims, he said. Even during the war there was an offsetting low mortality among the civil population due to improved health conditions, a lowering of automobile fatalities, and a general will to live to see the outcome. Follow up the grief that comes with a telegram from the war department with a denial to pay the face amount of a policy just because insured died instead of others, including insurance men, and "you have a good American citizen who will damn you and all of your kind so long as she lives. The price is too small to permit anything like this to happen."

Amicable Life had 10 war claims under policies that did not contain a war clause for every one that did, Mr. Easley commented. The experience of other companies indicates that this is about average.

Too Dividend Conscious

Mr. Easley said he thought the business is inclined to be too dividend conscious and is trying too hard to keep the cost of insurance low in order to meet competition. In so doing it overlooks the real purpose for which the insurance was contracted, the payment of claims. The term "dividend," he said, is a misnomer. It is not a dividend but a refund of a portion of the current year's premium that is not needed to meet current policy obligations.

Life insurance stands at the crossroads, he declared. It can move forward or backward, but it cannot stand still. With the advent of the atomic bomb, underwriting has been thrown into a tailspin. There is no way to underwrite against its use and no policy provision limiting liability would be of any value. Any atomic attack against the United States will be designed as a knockout blow, in which event there will be nothing left to pay, no one to make payment, and no one to pay it to. Now would be a good time to institute full payment of policy obligations without restrictions, and to begin by waiving all war clauses retroactively in existing policies. The business would, he said, in this way be rendering a public service unparalleled in history and at the same time wield a master stroke in public relations.

Mortality Rate Is Important

Underwriters, he said, undertake to classify risks as they find them, without much consideration to changes that may occur in the health or occupation of the applicant. The odds are greatly in favor of either the health or occupation, or both, changing several times before the policy becomes a claim. The cause of death is not important. The rate of mortality is.

A case is underwritten for a particular cause of death and the policyholder will die of something else. On the other hand, standard insurance is granted in a favorable occupation and the policyholder will die as a result of accident while following an occupation that would be rated. An applicant with a family history of tuberculosis is rated

and then he is killed in an automobile accident. Rating is based on the probability of a higher mortality resulting from the physical condition of the applicant or his occupation, which of course, is proper underwriting. Good underwriters must consider each case in accordance with the findings although the general mortality of the company is what really counts.

Less Restrictions with Experience

When insurance was in its infancy and there were no available statistics upon which it could be guided, it moved cautiously along, imposing restrictions in certain instances and ratings in others. Restrictions appeared to be the more prominent, and did to some extent, retard progress, he said. There was a time when policies restricted travel below the Mason-Dixon line. There was a time when travel by railroad was restricted, and more recently, there was a time when travel by airplane was restricted. The latter was just prior to V-J day.

Immediately after V-J day several companies removed all aviation restrictions from their new issues and are undertaking to underwrite cases involving aviation hazard. Some companies are now considering military and commercial air pilots at an extra premium, and some are offering standard insurance subject to an aviation restriction.

"In my opinion," Mr. Easley said, "there should be no restriction, and the extra premium should be only moderate. While I am not an advocate of a rate-free practice regarding aviators, I do believe that favorable consideration should be given to any industry which advances civilization. The basic rate structure should take care of bad guesses, adverse occupational changes, and an increased mortality resulting from progress. All the policyholders should bear most of the cost of American progress and not the individual who takes the chance."

War and Prewar Figures

His own company, he said, uses the attained age method of valuation, from which is determined the expected mortality by attained age. By tabulating the death claims by age at death and comparing with the expected mortality at the same age, the mortality experience has been determined, not by number of lives but by amount insured at each age. The company has made two mortality studies, one for the ten year period 1930 to 1939, inclusive, which is the health or pre-war period, and another for the 5½ year period 1940 to June 30, 1945, the war period.

Mortality curves for the two periods are almost identical except for the hump at the military ages 18 to 38 which appears in the war period curve. The hump gradually rises and falls between these ages and reaches a peak at age 25. The hump levels off considerably in the 15½ year experience curve covering the period 1930 to June 30, 1945.

The conclusion Mr. Easley reaches from this study is that there will be periods of high mortality at certain age groups, regardless of good underwriting. These individuals in this group should not be segregated from other policyholders of younger or older ages for the purpose of dividend allotment or surplus distribution, and certainly should not be segregated for a smaller death benefit payment. All the policyholders should bear their share of the war mortality regardless of the incidence of mortality in their respective age groups.

No Allowance for Epidemics

There has been a tendency among the companies to adopt a mortality table based on mortality experience during the health years following the advent of certain drugs which have served to postpone death. Several states have adopted legislation either requiring or permitting the use of the new table, and pressure is being brought in other states for its adoption. Although the incidence of mortality has shifted somewhat from the younger to the older ages

Company Group, N.A.L.U. Hold Parley at Chicago

The management committee of the Research Bureau and the agency practices committee of the National Association of Life Underwriters held a conference in Chicago following the close of the annual meeting of Life Insurance



Jul Baumann



W. R. Jenkins

Agency Management Association. They were in session a day and a half.

W. R. Jenkins, vice-president of Northwestern National Life, is chairman of the company group; the N.A.L.U. conferees consisted of Jul Baumann, Pacific Mutual, Houston, chairman of the N.A.L.U. committee; Clancy D. Connell, president; James E. Rutherford, executive vice-president, and Donald F. Barnes, director of research.

Mr. Baumann submitted a memorandum to the group. The company organization will distribute copies, and will also send out a questionnaire to companies on agency practices.

Mr. Connell read a report prepared by Alfred C. Duckett, Northwestern Mutual, Los Angeles, chairman of the N. A. L. U. agents' compensation committee, in which Mr. Duckett analyzed the functions of an agent. Several home office agency men said they believed the report provides a springboard in determining fair compensation.

No Tenn. Action on Cooperative

NASHVILLE—Although a speaker was permitted to discuss the possibilities of such an organization, the Tennessee Farm Bureau at its annual meeting here did not bring up for consideration the proposed southern states cooperative. However, a resolution was adopted asking for "a study of the possibilities for development of an adequate program of prepaid medical care and for hospitalization services for farm people and to establish a service of this kind if the results of the study justify action." There was some mention of a Tennessee farm mutual reinsurance company but the relation of the bureau to such an organization was not brought out.

during this century, due principally to the reduction in infant mortality, there has apparently been no allowance made in the new table for epidemics and wars, and certainly none for a mass catastrophe resulting from the use of the atomic bomb. The experience, which forms the basis for the new table, includes no epidemic or war mortality and no allowance for postponed deaths.

The mortality curve based on the combined experience of all the companies very closely follows the curve of the experience of Amicable for the years 1930 to 1939, inclusive. During this period of relatively low mortality, "we should have set aside contingency reserves sufficient to cover a higher mortality that would surely come. Some of the people that were expected to die, lived to serve their country, and die as a result of such service. The saving in mortality before the war, could therefore be used to offset the higher mortality resulting from war, without impairing the company. This is only possible by the adoption of adequate premiums based on a mortality table with a sufficient expected mortality or with sufficient loading to cover all contingencies," he said.



★ HERE IS A STORY UNUSUAL AND YET TYPICAL.

C. B. Carman is a member of the Equitable of Iowa group studying "The R & R Tax & Business Insurance Course." One exercise calls for the preparation of a partnership proposal. (Unit 4, No. 3)

As Mr. Carman prepared the proposal, he had in mind a case in which he had sold one partner but the other partner was still debating.

It was a good proposal, so Mr. Stepp marked it "100% — A grand job." The resourceful Mr. Carman then explained to the reluctant prospect that he was studying special advance work—and would the prospect read the proposal which the teacher had marked "100%".

The prospect read, said, "If your teacher thinks this is a grand proposal, who am I to argue? Where do I go for the examination?"

ONE MORE REASON WHY THIS DEPARTMENT HAS OPERATED AT TOP CAPACITY FOR THE PAST FOUR YEARS!

PAUL SPEICHER
Managing Editor
**THE INSURANCE
RESEARCH & REVIEW SERVICE**
INDIANAPOLIS

Seefurth, McGiveran Leave Bureau and Enter Sales End

Nathaniel H. Seefurth and Ben S. McGiveran are withdrawing from active participation in operation of the Compensation Research Bureau, Chicago, which now has been incorporated. Incorporation was decided upon to insure complete continuity of service to clients. Withdrawal of the two men without in any way affecting the service given by the bureau to pension plans under its supervision, was made possible by the strong staff which has been developed during the last five years in which the bureau has operated. It originally was a partnership for the purpose of serving as consultants in devising, installing and administering pension plans.

Bureau Offers Consultation

Compensation Research Bureau will act as consultant to corporations on a fee basis on all phases of pension and profit sharing plans. It will continue to supervise administration of a large number of plans, including many which have been established by prominent corporations. All types of plans are involved, individual policy, group annuity and uninsured.

Charles L. Heiss, who has been with the bureau since its beginning and is familiar with all phases of its activities, becomes president; Ralph D. Boughton, who has been in charge of administrative work for several years, is now vice-president. These men have direct charge of the bureau's operations and will be directors, together with Messrs. Seefurth and McGiveran, all of whom are stockholders.

Henceforth Nathaniel Seefurth and

Ben McGiveran will operate as partners in the development of new pension and employee benefit plans as special agents of Northwestern Mutual Life at Chicago. This partnership is entirely separate from the corporation but Compensation Research Bureau will be employed to assist in preparation of plans developed by them and in their installation and administration.

Previous to formation of their partnership Mr. Seefurth for many years was editor and publisher of the Seefurth Service which covered various phases of taxation and advanced underwriting. Mr. McGiveran formerly for 26 years was in the life insurance business, for a long time being general agent of Northwestern Mutual at Eau Claire, Wis., and was a very large personal producer.

Mr. Heiss took his master's degree at University of Wisconsin in finance, and also majored in statistics and accounting. He is a C.P.A. and Phi Beta Kappa. Until joining Compensation Research Bureau at its organization five years ago he was connected with the Wisconsin tax commission for several years and previously was a high school teacher of mathematics for some time and also an instructor at University of Wisconsin.

Mr. Boughton, also a graduate of Wisconsin, was in the life insurance business for about 15 years with Mr. McGiveran at Eau Claire, variously as agent, supervisor, statistician and district agent.

Frank D. Miller of the Harold Dillon Agency of National Life of Vermont in Atlanta, who returned from service in the navy around the first of the year, has made such a record that he was invited to the home office for special training in estates and programming. In September he led the entire agency force of National Life.

Office Management Problems Discussed at A.M.A. Meeting

NEW YORK—Management recognizes that unions are here to stay and that a way must be found to deal with them to the mutual advantage of each. In this connection management is prepared to face the fact that the office is the next major field which the unions are preparing to invade, according to John H. MacDonald, vice-president National Broadcasting Co., in a talk given at the office management conference of the American Management Association.

Mr. MacDonald pointed out that labor relations are primarily in the hands of the office manager and that contrary to opinion in some quarters, top management is not unsympathetic to the office manager and his problems, but at the same time it has no time to waste on routine details or in doing his thinking for him. It expects to receive specific recommendation on which all the preliminary work has been done by the office manager and others concerned.

He said that top management ranks labor relations at least on a par with sales, production and financial activities. The office manager is expected to coordinate his labor policies and to draw management's attention to important inequalities in offices wages and working conditions where they exist.

Management is, after all, composed of people and as such can be sold just like anyone else, he said. It will quickly buy good men with good ideas, and therefore a very important part of the office manager's job is to learn how to be a good salesman.

The majority of office workers feel that management does not do more than

could be expected to have good working relationships between them and the people with whom they work. It is only a minority who feel that management is practically always fair with employees in such jobs as theirs, according to Arthur Kolstad, partner Houser Associates, in his address at the A.M.A. conference.

A great deal of dissatisfaction is expressed regarding company promotion policies and pay. Office workers as a group express much greater dissatisfaction on both promotion and pay than do industrial workers, he said. More office workers, relatively, claim that the pay for their jobs is lower than that for other jobs in the company of the same difficulty and importance. Although a fair proportion of office workers believe their work offers a good opportunity to establish a satisfactory future for themselves in the company, far too many think it offers only a fair opportunity or even a poor one.

Lists Workers Complaints

Mr. Kolstad listed the most common complaints of office workers in the order of their frequency as follows: Having to quit in the middle of one job and do something else that could just as well wait; having to do a job over because someone changes his mind about how it should be done. He said that perhaps management is to blame in these two cases as employees are frequently not sufficiently informed about the necessity or the importance of their work.

Other complaints listed were: Having to do last minute rush jobs that could just as well have been planned ahead; having to waste time or effort because of poor cooperation from other employees; being told to do two or three things at once and not knowing which should be done first; having to do a job alone when two people are really needed to handle it; having to waste time on a job for lack of complete instructions or informa-

THE GREAT-WEST LIFE ASSURANCE COMPANY

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Business In Force - - - Over \$900,000,000

tion about what is wanted; and not being told enough about the purpose of the work or how it is to be used or what it is supposed to accomplish.

Complaints of office supervisors and managers indicate that top office management is possibly to blame for some of the rank and file complaints. Managers and supervisors complain that the people above them do not understand the difficulties of their job and that they do not get sufficiently clear instructions from their superiors. They also state that when changes are made which affect their work, they are not told why such changes are being made. Supervisors also criticize management for giving contradictory and conflicting orders, and for going over their heads and giving instructions to their subordinates without consulting them.

Management Responsible

Mr. Kolstad stated that the discovery of such attitudes and opinions among members of the office supervising staff poses a problem for management. The majority of employees feel that their company is better than the average as a company to work for and that they are treated better than most other companies treat their people. Therefore the responsibility for good labor relations rests primarily in the hands of management.

Any operations of a repetitive nature can be placed on an incentive plan and if properly administered be highly successful, according to Waldo Williams, general office manager Chicago Mail Order Co. Mr. Williams said that at one time office employees did not favor incentive plans as they felt that they were only for factory workers. However, as soon as they realized that incentive plans actually gave them more money, this objection ceased.

Business Insurance

Aids Nation's Economy

CINCINNATI—The important responsibility agents have to American business men to preserve the liquidity of their businesses in order to maintain them as going concerns was pointed out by H. P. Gravengaard, associate editor Diamond Life Bulletins, in his address on business insurance to the Cincinnati Life Underwriters Association. The opportunity in business insurance is far beyond the conception of most agents, he said.

Business insurance probably offers the greatest field for cultivation in life underwriting today. American business must meet the challenge of furnishing jobs to the men in the armed forces when they return home. Whenever as-

sets are lost through the death of a business man and the ability of the business is thereby impaired, it means people are thrown out of jobs and the national economy suffers a blow. Every business insurance case strengthens the national economy and helps to preserve the American way of life.

A six-hour seminar on veterans affairs will be held Nov. 30, T. W. Strange, manager Ohio National, president, announced.

B. S. Taylor, New England Mutual, president Cincinnati C.L.U. chapter, presented the C.L.U. designation to R. W. Aigert, general agent Penn Mutual; A. P. Barringer, ordinary Prudential. Richard Jervis, life manager Travelers; Thomas McNeil, Provident Mutual, and a certificate of agency management to W. J. Mack, general agent Northwestern Mutual.

Mr. Barringer, chairman of the war chest committee, complimented the team on its work and awarded cups to Aetna Life and Union Central.

The annual Christmas party for the underprivileged children of the Seguin school will be held Dec. 20.

G. D. Randolph, general agent New England Mutual, introduced Mr. Gravengaard.

Monarch Life Offers

Ungraduated Juvenile Form

Monarch Life, experimentally in the Chicago territory, is offering a juvenile contract that pays the face of the policy commencing at age 6 months. The death benefits are not graduated, except that if the policy is written prior to age 6 months and the infant fails to live to be 6 months old, there is simply a return of premium.

For 20 pay life during the first year of an infant's life the premium is \$22.94; endowment at 60 it is \$15.59, and endowment at 65, \$14.59.

Reports from Tax Exempt Groups

WASHINGTON—More than 2,500 returns have been filed with the Internal Revenue Bureau by organizations held exempt from income tax, as mutual insurance, benevolent life, employees' retirement associations or companies, it appears from a tabulation made public by the Treasury department, based on statistics of income for 1943.

Among organizations whose primary functions are business activities are listed 30 returns from life insurance departments of mutual savings banks, 206 from benevolent life insurance associations, 1,701 from mutual insurance organiza-

Maclean Gives Views on Air Pilot Underwriting

J. B. Maclean, vice-president and actuary of Mutual Life, in addressing the

Louisiana sales congress at Shreveport on underwriting matters, suggested that in dealing with an airplane pilot or other applicant with a pronounced aviation occupational hazard, the best solution may be to give the option of paying an extra premium or accepting an exclusion clause and requiring the applicant to state his choice on a special blank. The latter should clearly state what the terms of the exclusion clause will be if that is elected so that there may be no misconception as to the protection furnished.



J. B. Maclean

Public Relations Angle

From a public relations standpoint, some in the business argue that the insurer should decline to apply special aviation hazard exclusion clauses and insist upon payment of an extra premium as in other types of substandard risks. This is on the theory that an exclusion clause eliminates what may be the most probable cause of death and in event of a claim the reaction of the beneficiary is likely to be extremely unfavorable to the company and the industry. It is insurance which does not insure.

Nevertheless, many such applicants object to paying a substantial extra premium and are inclined to minimize the extra risk. They argue that flying a plane is safer than driving an automo-

tion (not life or marene). There were 531 returns from employees' beneficiary associations, and returns from teachers' retirement fund associations, and 159 from U. S. employees' beneficiary associations.

National Life—The biggest October business in history was rolled up this week. Life insurance sales totaled more than \$7 million or a gain of 46.33% over October, 1944. New business for the first 10 months amounts to \$62,184,264, increase 28.89%. The increase in insurance in force during the 10 months exceeds by almost \$3 million the largest year's increase in history, that of 1927.

October Sales Up 9%; 10-Month Record Plus 3.9%

New life insurance for October was 9% more than for October of last year, and for the first 10 months was 3.9% greater, than for the corresponding period of 1944, according to Life Insurance Association of America.

The statement covers the new paid-for business of 39 U. S. companies representing 68% of the total in all legal reserve companies.

The total new business was \$847,953,000 against \$777,793,000 for October of last year. Ordinary was \$646,377,000 against \$545,712,000, increase 18.4%; industrial \$125,640,000 against \$134,171,000, decrease 6.4%; group \$75,936,000 against \$97,910,000, decrease 22.4%.

The new business for the first 10 months was \$7,948,754,000 against \$7,651,065,000. New ordinary was \$5,896,851,000 against \$5,309,275,000, increase 11.1%. Industrial was \$1,211,392,000 against \$1,259,137,000, decrease 3.8%. Group was \$840,511,000 against \$1,082,653,000, decrease 22.4%.

bile, "which doesn't happen to be the case," Mr. Maclean remarked.

Mr. Maclean recalled that the aviation committee of the A.L.C. suggested last year that if there are to be any aviation restrictions in new policies where no present hazard existed, these should be limited to any future flying as a pilot or crew member and any aviation hazard arising from military or naval service. For both of these, the speaker declared, there is a possibility of adverse selection by those who expect to incur such risks in the future. Moreover these two types of extra hazard would arise entirely from the insured's own volition. He expressed the belief that few companies will consider it necessary to adopt such general restrictive provision. Most companies have already eliminated from new policies all restrictions as to aviation, except where there is a special hazard at date of application.

The problem is largely one of selection at issue: that is, of determining at the time of issue whether any special hazard exists or is likely to arise. Some companies may limit the amount of insurance which they will carry on all applicants of the younger ages and a very few will include an aviation clause in policies issued to young applicants eliminating piloting and military aviation.

Travelers Gives Salary Raise

Both employees and stockholders of Travelers were given good news this week. A salary announcement included a 5% increase and a dividend action included an extra 2%.

A new basic weekly salary will be established at 40 hours. The adjustment which was paid for time worked between 37½ hours and 40 hours will be included in the new basic weekly rate. The 8½% special additional compensation which has been paid quarterly will be integrated into the new basic weekly rate.

In addition, a 5% increase will be granted to all employees, excluding officers, with a maximum payment of \$300 per annum. This increase will be based on the total salary at 40 hours after the integration of the adjustment and the special additional compensation.

The salaries of men and women in the armed forces who return subsequent to Dec. 1, 1945, will be automatically adjusted on the same basis at the time they are reinstated.

Miss Marion A. Bills, assistant secretary of Aetna Life affiliated companies, will speak on "Interview Rating" at a meeting of the Hartford chapter of the National Office Management Association

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All Life, Endowment and Annuity Plans.
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ASSETS, 264 MILLION DOLLARS

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Underwriting Military Risks Now and in Future Poses Some Problems

The underwriting of men who served in World War II and future selection of military risks was a subject of keen interest at the meeting in Chicago of the Institute of Home Office Underwriters. Speakers on these topics included Dr. James H. Ready, medical director of General American Life, whose paper was discussed by Jack H. Penter, assistant secretary of Great American Reserve, Dallas; John B. Ulrey, chief underwriter of American United Life, and Joseph B. Corbett, manager of the ordinary department of Colonial Life.

One of the difficult underwriting problems growing out of the war is how to select ex-service men who have been or are psychoneurotic cases, Dr. Ready indicated in a scholarly paper on "Insurability of the Veteran." Dr. Ready recently returned to his civilian post after 29 months in service.

Procedure a Problem

At first his company, he said, gave considerable thought to the advisability of setting up a routine procedure for securing the record of the medically discharged veterans and men who had recently returned to their homes. However, this does not seem to be practical because of the great delay involved and the disadvantage this delay would put on the agency producing the business. To meet the problem, Dr. Ready said, his company endeavors to classify the applicant as to severity of the neurosis, keeping in mind all the while that the severe case has not been discharged and will not be released until the service has been adequately rehabilitated. The moderately severe or borderline individual presents the greatest problem and his case is scrutinized very carefully by the insurance company through inspection sources as to length of time he has been home, how well he has adjusted to his new environment and if he is stable on his job.

Ailments That Are Something Else

The inspector frequently will pick up the fact that the applicant was discharged because of arthritis of the back, or he suffered from asthma in low altitudes and has not had any trouble since returning home. Having been in the service, Dr. Ready said, there is only one diagnosis that he can read into this inspection and that is neurosis. The service did not discharge the average case of asthma, painful back, etc., because limited duty would take care of these men quite adequately. The ones discharged were the individuals who suffered from a neurosis with fixations on their asthma or sore back and who were incapable of adjusting to any job assignment. The army doctors did not affix the amount of disability. This is done by the Veterans' Bureau. The disability might be 10%, 20%, and so on.

The agent, the examiner and the inspection company all are necessary sources of information. The inspection company or agent can tell if the applicant has received a certificate of disability, discharge or discharge on points, whether he is receiving disability and if so what percent, how long the veteran has been home, his social activity and stability in his new job, whether the veteran is a deferred disability case submitted to the Veterans' Bureau by men discharged on points and what the veteran or 4-F gives as the cause of his disability.

Must Rely on Examiner

There were 1,500,000 rejectees, 600,000 discharges and 200,000 with neurotic tendencies centering on one or another ailment such as the ones mentioned, Dr. Ready said. Medical examiner must be relied on heavily.

Finally the company must decide the case on the basis of severity; that is, whether the case is mild, moderately se-

vere, or severe. The psychoneurotic cases are the ones that will be the most troublesome from an underwriting viewpoint, Dr. Ready believes. Other diseases, ailments, injuries and the like can be determined and rated or rejected. Incidentally, Dr. Ready doubts the likelihood of any great epidemic of malaria in the United States.

"I cannot see how we shall suffer any great loss from actual deaths from the psychiatric group," Dr. Ready concluded. "Naturally we must be cautious in granting any type of disability benefits."

Penter's Discussion

There were 2,300,000 4-Fs and discharges because of neurotic tendencies out of 22 million registrants 18 to 37 years old, Mr. Penter said. This means that one in 10 of male applicants in this age group have neurotic tendencies ranging from mild psychoneuroses to insanity or history of insanity.

Even among those with known psychoneurotic histories there is much ratable or rejection business, Mr. Penter said. One difficulty during the war was that many of the 4-Fs and discharges showed up in an insurance company office when an agency of the company started concentrating on the personnel of a war plant where many of the 4-Fs and discharges had gone to work.

He said he hoped arrangements could be made whereby insurers could pay \$1 for a brief statement from the draft board and \$3 for one from the Veterans Administration covering reports on veterans.

In the discussion that followed Dr. Ready's and Mr. Penter's papers, Dr. Ready commented that the underwriter should not be unduly concerned with psychoneurotics, if he can get a clear picture of each case. About half of the human race at some time or other has had some form of psychiatric disturbance.

FUTURE SOLDIERS

For all practical purposes the future military risk is the equivalent of a brand new occupation, Mr. Ulrey said in discussing future underwriting of military risks.

The peacetime soldier of the two decades following World War I had little in common with the soldier of World War II, and he suggested that the soldier after this war may have little in common with his predecessor. Revolutionary changes in equipment, tactics and strategy occur at an amazing pace in modern warfare and follow through into the post-war period.

Consequently, underwriters cannot rely on past mortality experiences in the future evaluation of the military risk, he said.

Study of Military Deaths

He pointed out that in the joint occupational study of 1928 it was shown that army and navy officers had ratios of actual to expected deaths of 109 and 127 respectively, and that enlisted men, army and navy, had a ratio of 139. In the occupational study of 1937, the army officers ratio was 89, navy and marine corps officers 108, and army, navy and marine corps enlisted men 128. The 1928 study was based on the years 1920 to 1926 and the 1937 study on 1925 to 1935. Both were based on a peacetime professional military force, and were probably the guide which most companies used in determining occupational classifications in the prewar period.

In spite of the hurried up job of getting ready for World War II, Mr. Ulrey said, figures from the director of medical statistics show the death rate from disease in the total army, including air force, in the present war has been .6 per 1000 per year. Deaths from non-battle

injuries have been 2.3 per 1000 per year. Additional information can be expected as time goes on from the department of medical statistics, he said.


The figures on disease and non-battle injuries are surprisingly low, Mr. Ulrey said, when it is considered that they comprise all army and air corps non-battle deaths from those two causes in all areas from the jungles of New Guinea to North Africa to the Aleutians. One might be tempted to conclude that military risks, exclusive of aviation and other special hazards, do not present an undue hazard from a life standpoint and an accidental hazard which would permit issuance of double indemnity with a small rating. The only difficulty is that jet and rocket propulsion, the atomic bomb and other revolutionary methods of warfare already have rendered obsolete the methods used up to the finish of the recent war. The civilian population may be in greater danger than the armed forces in the next war.

Commenting on the post-war draftee and potential draftee, Mr. Ulrey said they do not present too much of a risk selection problem. These people are civilians, not the professional army, with probably one year of service to face but no combat duty unless there is another war. Some draftees will re-enlist at the end of their period of service, but this percentage probably will be small.

Many companies are taking this class of risk at standard rates at the present time with permanent or temporary aviation exclusion. With regard to those men already in service, most of them will not be in very long and any extra hazards would seem to be limited to a year or two at the most. On a temporary basis, some companies are now accepting army, navy and marine corps risks without special hazards, such as aviation or submarine service on a standard basis with rated double indemnity and with permanent or temporary aviation exclusion. Others have reverted to their pre-war ratings.

Because the demobilization program affects 10 million insurance prospects, an understanding of it is essential to underwriting now and for some time to come, Joseph B. Corbett, manager of the ordinary department of Colonial Life, stated. He dealt particularly with those discharged from service on points.

What the insurance companies want to know is whether the discharger was wounded in service, suffered any peculiar disease, was classified 4-F before being drafted and for what reason, etc. His own company, Mr. Corbett said, is considering applications from discharges pretty much on individual merits. Some veterans discharged on points have been receiving government disability, he said, and some who received such payments



**The
COMMONWEALTH
Commentary**

THE ERA OF "QUALITY"

This is the era of **QUALITY** in the life insurance business. It is almost universal now for life insurance companies to place a greater value on quality of production than on volume of production. As the importance of life insurance service to policyowners increases—as the advice and counsel of the field underwriter becomes more and more widely accepted—this new emphasis on quality is a logical development.

Commonwealth was among the first to give full recognition to this transition—was one of the first to adopt a compensation plan (Commonwealth's famous **PLUS** contract) which, through its persistency bonus, put the emphasis on quality business—was one of the first to set up an adequate training program geared to put quality career underwriters in the field—was one of the first to counsel with its field force through an agents' advisory committee.

"Quality Men, Quality Business," is a literal translation of our policy. At Commonwealth, the value of the underwriter and the dignity of the life insurance business is fully and effectively recognized.

Insurance In Force, October 31, 1945 — \$280,746,749

COMMONWEALTH

LIFE INSURANCE COMPANY

LOUISVILLE • MORTON BOYD, President

WHERE QUALITY MEN ARE BUILDING QUALITY VOLUME

are no longer so because of full recovery from injury or disease. Another problem is created by many veterans who are taking vacations. It is difficult to determine what occupations they will undertake.

Woodruff Returns to Manhattan

Neville Woodruff, general agent of Manhattan Life at San Francisco, has returned from military service and resumed his old duties. A veteran of Leyte, Okinawa, Iwo and other Pacific landings, Mr. Woodruff spent three years in service. While he is refamiliarizing himself with his work, H. O. Seale, Pacific Coast supervisor, is spending a few weeks in the San Francisco office.

Manhattan recently appointed Avis B. Hayden general agent at Fresno, Cal. Mr. Hayden also recently returned from 3½ years in the navy. He was formerly assistant manager of Metropolitan Life in Fresno.

Brill Agency Expands

The William A. Brill general agency of Manhattan Life at Cincinnati has moved into new quarters in 1039 Carew Tower. Norwood G. Dempsey has been appointer assistant manager.

Gastil Envisions Insurance Clinic, Covering All Lines

LOS ANGELES—In the near future the general office will find it difficult to hold its customers unless it offers expert service for all the client's insurance needs, property and personal alike, Walter G. Gastil, southern California manager of Connecticut General Life, told the California Association of Insurance Agents at its closing session, speaking on "Does Life Insurance Have a Place in the General Office?" He declared that the agent is the one who must make the decision.

Mr. Gastil said that the doctor for several eras was a self-trained general practitioner, then became a specialist and now is in a clinic. There was the country general store, then the grocery, the delicatessen, the dairy, the bakery, now all-in-one food market. The general store, then the dry goods, the clothing, the notion, and now all embraced in the department store. In all instances it was the one man generally, then the specialists and now the group of specialists.



W. G. Gastil

Day of "General Store" Over

"The insurance business has many parts," he said. "We used to know very little about any line. Then it was divided into two main divisions, general and life. These were divided into a dozen parts, and the parts again divided into smaller parts. Could it be—like the businesses—that the insurance business will come back to an association of departments, or a clinic of specialists, each necessary to the other, each outstanding, all making more than alone, none profiting too much on the others' efforts."

"I think that the day of the general practitioner, trying to run a general store in the insurance business, is over. He cannot give expert advice on any one line. I think that the day of the expert in business insurance, workmen's compensation, accident and health, life, annuities, pensions, automobiles is over. He forces his client to deal with too many houses to fulfill his needs. I feel that the association of experts, each expert in his own field, and all under one banner, is on its way to providing better service to the public and therefore better profit to the worker."

Points to Be Considered

"If you move towards the building of an insurance group of specialists there are some things you should give some serious thought. Do you know how to select your company? Too frequently a company is taken because the general insurance man knows some one looking for office space who represents that company. How will they treat your clients? Build prestige for your name? What basis will you take on these additional experts to become associates of yours? How will he deal with you on commission splits if he sells your clients? How will he share the overhead? How will you handle the general insurance on his clients? How will you get started?"

"There is an easy way to start. The first and most important need in personal insurance is accident and health. Get some company that has a good top line accident and health program, that believes in tailoring accident and health insurance to the client's measurement. The second approach is through group insurance. Find a company with a broad program. You furnish the prospects, they the special service. Then find a company that will make you a first line broker and give you everything they offer and all you need. Then find a company that can provide for your occasional call for help. And while you are about it, really first check your own operation. Have all your clients' coverages been checked against all possible exposure? Has each policy been surveyed to be sure it fits and is the best job of underwriting that can be done? Do you know him personally—remember his birthday—kid's birthday, or is he just some one who gave you a policy and always renews it? Could you use more help and do a more thorough job—give employment to another man—not a competitor, but an associate."

"If these things are true in your office you are ready to take on another department. And a good life man or two would like the stall in your market, pay a fair rent, attract business to your office, for you would attract business to their stall and both would profit more."

Remove Mass. Savings Bank Limit

The Massachusetts savings bank life insurance fund has removed its self-imposed limitation on the amount of insurance it would accept on a single risk during the war period, lifting the ceiling to \$25,000, except at advanced ages.

Barnstead New President of Canadian Officials

NEW OFFICERS ELECTED

President — Arthur S. Barnstead, Nova Scotia.

Vice-president — Herbert Hunter, Manitoba.

Secretary—Roy B. Whitehead, Ontario.

More than 100 government officials, insurance men and counsel attended the annual meeting of the Association of Superintendents of Insurance of the Provinces of Canada at Quebec. It was the first occasion upon which all nine provinces were represented.

Georges La France, Quebec, superintendent and the outgoing president, presided throughout. Welcomed to the ranks were Stanley W. Taylor, Vancouver attorney, who was recently appointed insurance superintendent for British Columbia succeeding the late H. G. Garrett, and Ralph R. Moore, who recently returned to the Alberta department as superintendent after three years absence on other duties.

E. C. McDonald, vice-president in charge of the Canadian head office of Metropolitan Life and vice-president of Canadian Life Insurance Officers Association, was the titular head of the life insurance delegation and presided at a dinner extended to the superintendents by the life insurance group.

Leighton Foster Is Spokesman

R. Leighton Foster, general counsel, Canadian Life Insurance Officers Association, served as general spokesman for life insurance at the open sessions with W. J. Beattie, assistant general manager of Canada Life, speaking particularly on legislative matters, and J. A. McAllister, director of agencies of Sun Life, speaking particularly on matters concerning licensing and regulation of agents.

A. Gordon Nairn, representing the Life Underwriters Association of Canada, took part in the discussion on the suggestion that all applications for renewal of license should indicate the persistency of the business written by the applicant during the preceding year.

Attention was given to plans to cooperate prior to the 1946 meeting in the preparation of draft amendments to the uniform life insurance act so as to afford statutory recognition to group insurance forms and practices and to clear up miscellaneous difficulties which had been encountered in the administration of the act in the several provinces. The superintendents agreed to reconstitute their standing committee and cooperate with a special committee representing the Life Officers Association.

Prospects' Habits Biggest Question, Hunsinger Says

Dr. J. E. Hunsinger, medical director of Alliance Life, spoke to the Chicago Claim Association on "Claims Affect Underwriting." He listed as factors in selection of a risk, important in order named, personal history, financial status, morality, family history, race, and the physical examination. He pointed out that the applicant's personal history would reveal clues not ascertainable in the medical examination. The integrity of applicants is the most disturbing factor, he said, because a large proportion of applicants of apparent good character have "undercover" physically damaging habits. G. T. Delahunty, president, presided.

Study Group in Boise

A C. L. U. study group has been organized at Boise, Ida., under the direction of George H. Hessler, New York Life, with about a dozen members. G. Vernon Ricks, Beneficial Life, is chairman of the group.

HELPING OTHERS TO ACHIEVE!

Millions have replaced thoughtless spending with sound investments in Life Insurance.

The Friendly Ohio National has made many new friends—and will keep them.

Over One-Quarter Billion in Force

THE OHIO NATIONAL
LIFE INSURANCE COMPANY

CINCINNATI, OHIO



Results of Sun Life Agency Program Told

The benefit of lessons that Sun Life of Canada has learned from its experience in scientific selection, financing, training and supervision was given those attending the agency executives convention at Chicago by J. A. McAllister, director of agencies of Sun Life.

The statistics were based upon results with Canadian agents but he said that this would be typical of the United States, too.

The Sun Life theory is that if it can get the right man doing the right job in

Sun Life has found that it cannot afford to hire men with grades lower than B on the aptitude index. A man's I. Q. appears to be just as predictive as his scoring on the aptitude index.

Survival Rate

Mr. McAllister said Sun Life is "fairly happy" about its survival rate. Practically 50% of the full time agents appointed in 1942 were actively with the company Oct. 12, 1945. Of 302 appointments made in the last four years more than 61% are actively in force.

The best survival age group were the men between 25 and 40. The next best were the men over 50 although there were few men in that bracket. The poorest rate was in the 40-50 bracket and under age 25. Insofar as survival is concerned there was practically no difference between A men and B men under the aptitude index but the few C's showed a decidedly poor rate of survival.

Financed agents are surviving just as well as those that were not financed. Sun Life feels that it can now go to a class of men, economically unable to support themselves during their apprenticeship period and give them the same assurance of ultimate success as if they had sufficient capital to launch themselves upon a life insurance career.

Higher Schedule Better

The higher the rate of financing the better the survival. Men financed at the rate of \$35 a week or more, plus one-third of earned commissions survived twice as well as those operating upon lower schedules. While those on the \$40 a week basis survived better than those on the \$35 schedule and the \$45 a week men were still better and the \$50 a week group had the best showing, there is a limit beyond which Sun Life feels it cannot successfully finance men and in Canada \$50 a week plus one-third of commissions is the ceiling. A good survival rate is just as important from the standpoint of cost, ultimate lapsation and public good will as is a reasonably good rate of new agent's production.

Production Showing

As to production, the best showing is made by the group that had an aptitude rating of A with an I. Q. of more than 110. They produced at an average rate of \$145,000 a year.

The ideal agent appears to be one with not less than a combined B on the aptitude index, and I. Q. of at least 110, between 25 and 40 years of age, in good health, good character and repute, who has a reasonably wide circle of acquaintances and a standard of living that can be maintained during the apprenticeship year. The ideal man has a family budgetary requirement of between \$2,500 and \$3,000.

The secondary training course was given at first to the older men and during the weeks that they were taking this course their production was 170% of their previous three year average.

Enrollment for Part 1 of C.L.U. Course Up 83%

DETROIT—There is a crying need in the life insurance business for individual thinking and for leadership. Dr. J. P. Williams, director of the educational advisory department of the American College, told the Detroit C.L.U. chapter.

That this need is being recognized is proved by the fact that there was an 83% increase in students enrolling this year for Part 1 of the C.L.U. courses, he said. He urged continuance of education for chapter members as well as for aspirants to the C.L.U. designation by holding educational forums by the individual chapters throughout the year.

He said the American Society is planning a series of institutes for continued education of C.L.U.'s to be held at various points around the country so members may attend without having to go to headquarters.

He outlined other planned activities of the society, including revision of Part E of the C.L.U. course, which attempts

to tie up the preceding four courses in a practical way for use in the field. The society will also publish a journal, to which he urged chapter members to contribute educational material.

Zone 2 Commissioners Meet

WASHINGTON—At the semi-annual meeting of Zone 2 of the National Association of Insurance Commissioners, Commissioner Harrington of Massachusetts, chairman of the committee on laws and legislation, reviewed the general situation with respect to public law 15. Discussion which followed centered around the question as to the pattern

of legislation that might have to be passed to meet the impacts of the Clayton, Robinson-Patman, federal trade commission and Sherman anti-trust acts. Local problems also came in for some discussion. All states included in Zone 2 were represented. George A. Bowles, Virginia commissioner, zone chairman, presided.

E. H. Canarroe, director policyholders service bureau, Metropolitan Life, spoke on "Planning in the Office" at a meeting of the St. Louis chapter of the National Office Management Association.



J. A. McALLISTER

the right way under the right conditions, results will largely take care of themselves.

In order to find the right man, Sun Life applies definite qualification standards. The man must possess an aptitude for selling, including ability to get along with people, to dominate the sales situation, to absorb information. Sun Life requires candidates to use the aptitude index and requires a score of not less than a combined B.

Mental Ability Test

A man must have sufficient intelligence readily to absorb the training, information and master the basic principles of life insurance. In this connection Sun Life uses the Otis mental ability test and requires a score of not less than 46 correct answers which is comparable to an I. Q. of 110. On the score of character and reputation a regular inspection report is ordered initially and then a special long form report on those in whom the company becomes especially interested.

Sun Life requires a clear bond without collateral security from its own bonding company. A man must complete a 100 name list. He must undergo a complete medical examination and particular attention is paid to heart ailments, nervous disorders and ulcers. He must submit a budget upon a Sun Life form.

Finally, the man must receive the unqualified recommendation of the manager.

Initial Training Course

The initial training course is made available to all new appointees but those who are being financed must complete it within two months. Actually, the average time taken is 24 days. Sun Life pays the man a bonus of \$50 for satisfactory completion of the course.

After six months the new man takes the secondary course which is handled from the head office by correspondence and takes 20 weeks to complete.

The financing is done on the incentive financing plan which is a training device as well.

Sun Life has concluded that its selection standards are not too rigid and that any changes that are made will be in the direction of making them more rigid.

"PUBLIC SERVICE"

We are very proud of the men and women who represent this Company in the field.

Stress has been laid upon the definite policy followed in the development of our field forces. This policy is based on rigid selection and thorough training. It is based also on the belief that the buying public is entitled to and needs now more than ever before, intelligent, well-informed conscientious advice and service in connection with the arrangement of life insurance estimates, however small.

THE CANADA LIFE
ASSURANCE COMPANY
Established 1847

Head Office — Toronto, Canada

Keil Heads Ill. Round Table; Priebe and Grimm Talk

PEORIA—Kenneth L. Keil, Penn Mutual, Springfield, was named chairman of the Illinois Round Table at its annual meeting here. Leo G. Rapp, Prudential, Chicago, is vice-chairman, and Harold Hensold, Northwestern Mutual, Danville, secretary-treasurer. The round table has 104 qualified members but expects to have 150 to 200 next year.

Capt. Ray Neumann spoke at the luncheon at which F. Erle Cavette, Massachusetts Mutual, Peoria, retiring president, presided.

A. F. Priebe Speaks

Although it takes time to program, it pays time and a half, Arthur F. Priebe, Penn Mutual, Rockford, pointed out at the sales session. By improving skills an agent can make more money with the same amount of effort. Mr. Priebe makes a specialty of home interviews so he can talk to both the husband and wife. He said he wished he could stay home in the evenings but the plan gets business. Providing prospects with their financial pictures is like an automobile salesman getting his prospects to drive a new car around the block. In getting the data for his survey Mr. Priebe believes in letting the prospects talk as long as they wish and not to hurry them. He also emphasized the importance of presenting income sheets for both the wife and for the children as many husbands are more concerned about the latter.

Points to Check

In preparing programs it is important to check on the status of children as beneficiaries, watch the number of years the prospect has been under social security as he may not have been under it since 1937, and to take full advantage of the more liberal settlement options in older policies. People appreciate programming so it is easy to get referred prospects which solves the prospecting problem.

With the repeal of the excess profits tax and the removal of salary limitations the wartime trend toward partnerships will be reversed in favor of close corporations, G. L. Grimm, New England Mutual Life, Chicago, predicted. As an example he cited two partners making \$70,000 a year. After deducting for taxes and paying themselves \$15,000 for salaries they have \$20,000 left for expansion. As a close corporation earning the same amount and paying the same salaries they would have \$28,000 left for expansion out of which they will have money to buy life insurance.



G. L. Grimm

Sole Prop of Business

The sole proprietor is the "sole prop" of his business and in reality is in partnership with his money, Mr. Grimm pointed out. If the life value is removed it destroys some if not all of the property value. As the sole proprietor tends to be an independent type of person it is essential carefully to determine the appeal which will click. Illinois agents should point out the advantage of the state law which frees life insurance paid to a man's family from creditors' claims. At the death of the sole proprietor his liabilities increase and his assets decline. If he has a capable employee he can arrange to sell the business to the employee under a plan financed by life insurance.

"What are you going to do with your partner's widow?" makes an effective approach, despite the fact that one prospect replied he was going to marry her

Break 10-Year Record for President



Sun Life of Canada agents broke a ten-year record for a single month's business during president's month in October, honoring Arthur B. Wood. J. A. McAllister, director of agencies, is shown handing the record to Mr. Wood after making his report of the outstanding achievement. At a dinner celebrating the occasion tribute was paid to Mr. Wood by George W. Bourke, general manager, and Mr. McAllister. The production figures for each division were reported by the respective agency superintendents.

From left to right: A. C. Coughtry, superintendent of agencies, western U.S.; J. S. Ireland, superintendent of agency research; L. Campbell, assistant actuary; R. C. Grant, associate director of agencies; V. B. Harris, superintendent of agencies, central U.S.; Mr. Bourke; E. P. Higgins, superintendent sales promotion; W. G. Altridge, superintendent of agencies Canadian division; Mr. Wood; S. C. H. Taylor, superintendent of agencies, eastern U.S.; R. T. Black, superintendent of agencies western division; Mr. McAllister; T. D. Ross, assistant superintendent of group sales.

and make it a sole proprietorship, Mr. Grimm said. The most valuable thing a partner has is a right to a job and when death comes to the other partner he may lose it if the business is liquidated. The best solution is to plan to buy out the heirs of the deceased partner. Instead of making an appraisal of the business and then selling insurance, Mr. Grimm feels that it is best to get the buy-sell agreement set-up first and then to sell the entire amount of insurance if feasible but if not possible one-third or one-half and then close the gap later.

In close corporations stockholders have the same problem with heirs as a partnership. The success of the enterprise depends upon the judgment and ability of the few stockholders. The same harmony may not prevail with a new stockholder. The main reason the stockholder owns stock is the right to a job so that those who manage should be the owners. As soon as management and ownership in a close corporation are separated, trouble is invited. It is just as important to get stock back for replacement in a close corporation as it is for a partner to buy out his deceased partner's widow as widows of minority stockholders can also cause trouble. Close corporations need reserve funds. It doesn't make any difference whether the stockholder dies or retires as the same problem of the necessity for identical management and ownership exists.

Every business assumes unpredictable risks in order to earn profits but it is possible for a close corporation to insure its biggest risk—the death of one of the owners. Management is the most perishable commodity, Mr. Grimm stressed.

In considering new uses for key man insurance, Mr. Grimm said that the treatment of corporate profits constitutes the most important management problem. Profits are taxed and dividends are taxed. The problem of keeping more funds can be met through life insurance in the higher income tax brackets.

Key man cover insures future profits if the key man dies by increasing the surplus without tax. The cash values also increases the surplus without tax if he lives.

A salary continuance plan for key men's widows for a reasonable length of time was explained by Mr. Grimm. This

can be done by an informal promise or by a definite contract. In both cases such payments are deductible as business expense. However, the payments must be based on service rendered by the deceased employee and should be so specified if a contract is used. Insurance is then carried on the key man's life payable to the corporation to take care of the payments, although it is imperative that this not be mentioned in the contract. When the key man retires the cash value can be liquidated to provide a pension. There is no tax on the money the corporation receives on the policy while the pension payments can be deducted as a business expense. Mr. Grimm gave several tax citations upholding this plan.

L'Estrange Month Sets Record

October, which was observed by Wisconsin National Life as "L'Estrange appreciation month," honoring G. A. L'Estrange, vice-president and agency director, resulted in the largest production of both life and accident and health insurance of any month in the history of the company.

The life quota set up for the month was \$1,800,000 and accident and health new initial premiums \$12,500. The life volume was \$2,133,990, an increase of 25.4% over the corresponding month in 1944, while new accident and health business totaled \$13,635, an increase of 13.3%.

Another record was shattered on Oct. 28, the 85th birthday of Gen. C. R. Boardman, president of Wisconsin National, when business received in his honor totaled \$422,130 life production and \$1,353 new accident and health premiums.

There were 113 representatives who qualified for extra commissions for the month and special awards of victory bonds will be presented to the eight leading producers.

Insurance in force is now \$57,452,806 and it is expected to reach \$60 million by Dec. 31.

Hewitt to San Antonio Post

Lt. Warren Hewitt, son of Homer G. Hewitt, Texas manager of Northwestern National Life, who was with that company at Corpus Christi, Tex., before entering the navy, will open an agency for the company in San Antonio.

Mortgagee Now Strives to Erase the Mortal Risk

NEW YORK—L. Douglas Meredith, vice-president and chairman of the committee on finance of National Life of Vermont, in addressing the convention of the Mortgage Bankers Association of America here pointed out the major risks which bankers take in making home loans. One is the mortal risk and this is growing less because of the widespread education which leads home owners to protect mortgage loans with life insurance.

The risks of death of the mortgagor have received all too little attention from mortgage lenders, he said. "If a loan is well made, we may expect to recover from the property in case the borrower dies, but enlightened mortgage lending goes beyond this simple Shylockian point of view. On large loans on apartments or business properties, the security may represent an integral part of a business operation and its disposal to meet a mortgage obligation may result in dissolution of a business. If the mortgagor or principal of the business has covered the loan with life insurance, the business remains intact in the event the insured dies.

Banishing Other Sorrow

"The mortal factor of mortgage lending becomes greater in the case of home mortgages. Again, if our loans reflect careful selection of borrower and property, the lender should suffer little or no loss, but to achieve this a home may have to be broken up and further sorrow poured on the shoulders of an already grief-stricken widow. Every home mortgage lender has suffered the unpleasant experience of being obliged to advise a widow of the consequences of her failure to meet the obligations on a mortgage which she perhaps did not know existed. How much more pleasant and even gratifying is the experience of being able to hand to the widow a discharged mortgage made possible by an insurance policy payable to the mortgagee. A very prominent general agent of my company some years ago asked, 'Do women like life insurance?' and answered his own question with a curt, 'widows do.' Certainly this comment applies no more forcefully to any situation than to the widow of a home owner.

"Lenders in greatly increasing numbers recognize this risk and some require the purchase of life insurance, if obtainable, when the loan is made, while others take a less positive position by strongly recommending such coverage, even though they do not require it."

Mr. Meredith spoke enthusiastically of FHA loans, saying that such loans abundantly have demonstrated that high ratio home loans safely can be made to borrowers of character and stability of earning power, provided monthly payments do not exceed the rental the borrower otherwise would pay.

National Life and FHA's

FHA's became a major outlet for the investment of National Life's funds. To Sept. 30 it had purchased \$209,179,000 of these loans and on that date owned \$142,229,000. Of 35,673 loans purchased, it has been obliged to complete foreclosure on only 53 residences and four apartment buildings.

The lesson taught by FHA is the fact that the best loan is the amortized mortgage loan by which both principal and interest are paid in monthly installments. The aim of borrower and lender should be to see that the financing of home leads definitely to a debt-free property before that property has seriously depreciated in sales value.

Accommodation can be afforded the borrower by the innovation known as the "packaged mortgage." Under this ranges, washing machines, home laundries, etc., are no longer financed independently on a costly basis, but are all

including the mortgage demonstration aged

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included as part of the real estate in the making of home loans. Mr. Meredith said that his company had already demonstrated the popularity of the packaged mortgage plan.

T. S. BURNETT

The urgent necessity of reducing the cost of housing for the lower income groups particularly, was stressed by T. S. Burnett, manager mortgage loan department Pacific Mutual Life.

"It is from the lower income groups and those who appeal to them for political support that we get the pressure for public housing," he pointed out. "If private enterprise cannot solve this problem it will be solved for us and at our expense. It is up to the mortgage business, with the influence it wields in housing, to take a definite position with its clients, urging and lending assistance in the development of low and medium cost housing."

Mr. Burnett predicted that the movement of population, generating shifts in values, would be even more of a reality in the postwar era than it has in the past. The trend of decentralization in retail and residential properties in the larger cities is both economical and logical and will become even more pronounced, with its attendant problems for the mortgage business. An even greater force appears to be in prospect nationally, with the decentralization of industry. The small town, he said, may have a rebirth through the efforts of industry to achieve competitive advantages and alleviate labor problems and unrest that seem inevitably to arise from congestion of population in large industrial communities. With added opportunities for employment and the shorter work week, life in the smaller communities takes on considerable added appeal for many people.

Must Aid Smaller Places

"It follows that we in the mortgage business, in seeking new markets for funds, must operate from a broader base of eligible properties if we are to measure up to our responsibilities," said Mr. Burnett. "We must furnish an adequate supply of credit in both large and small population centers. Heretofore our pipe-lines have been laid to tap or supply the concentration of population in larger cities which promised the greatest potential volume of business. We have given the metropolitan areas advantages in the supply of mortgage funds and in better terms."

"I venture the opinion that in the years ahead the mortgage business can no longer maintain this disparity and we will have to learn, within the range of the considerably reduced profit that is present in the business today, how to supply our smaller cities with adequate financing, just as other merchandising concerns are making their products more readily available to that vast market."

\$50 Billion in Next Decade

Walter Gehrke, president of the First Federal Savings and Loan Association of Detroit and of Mortgage & Contract Company of Detroit, said that most authorities agree that there will be a total of 10 million new dwellings in the next 10 years, which, at an average of \$5,000 per home indicates a total investment of \$50 billion in that period. The figure does not take into account residential building of more than 4-family apartments, commercial buildings, new farm homes, and repairs and modernization of all kinds. This, he estimated, would represent another \$30 billion to \$40 billion. He said that all conservative estimates of post-war building and mortgage conditions indicate that there will be available during the next 10 years new mortgage business totaling two or three times the amount made by all financial institutions during the last 11 or 12 years. He said that in his opinion the problem is not where the business is coming from but rather what is the proper way to handle the

Forum Sessions Feature Northern Calif. Sales Congress; Millionaires Perform

SAN FRANCISCO—One of the most popular forums at the northern California Sales Congress here, with more than 600 in attendance, was that conducted by qualifying members of the Million Dollar Round Table, with James M. Hamill, Equitable Society, presiding. Three of the "millionaires," Al Gaumer, California-Western States, Red Bluff; Jerome Breyer, Penn Mutual, and E. T. Golden, New York Life, told some of their methods.

Mr. Gaumer stressed the importance of a life prospect file, which he said was worth \$25,000 cash to him; a set quota, avoiding work under pressure and development of "grateful closing." Mr. Breyer told how he had increased his production in the past few years by increasing the average size of his policies. He also stressed the need of a definite goal. Mr. Golden illustrated one of his most successful methods, showing how he increases an insured's present insurance by adjustment and additions to obtain the greatest results from policy proceeds—particularly on the life income basis. He said he was giving away "his favorite baby" in going into complete details of the presentation.

Million Dollar Quiz Kids

Following their presentations a group of members of the Quarter Million Round Table sat as a panel for a question and answer session called "The Million Dollars Quiz Kids." Samuel Taylor, tax attorney and specialist in pension trusts, sat as arbiter on legal disputes but was called upon only twice when the "quiz kids" couldn't easily explain one of the knotty questions on corporation and partnership insurance.

Miss Florence M. Calderwood, chairman of the women's committee of the San Francisco Life Underwriters Association, was chairman of a forum on "The Immediate Challenge," where Lt. James D. Dunning, USNR, a former life man, explained National Service Life Insurance and why veterans should retain it. Edward E. Keller, Reliance Life, discussed selling the juvenile; Dora Olinsky, Equitable Society, selling the parent, and Mrs. Estelle W. Nagle, New York Life, the immediate economic future on her talk on "Less Money and More Temptations."

Robert A. Grimes, John Hancock, conducted a forum, "The Debit Man Sells Life Insurance"; Earl R. Garrison, Metropolitan Life, discussed practical prospecting; Harry J. Kayser, John Hancock, social security and simple programming, and Richard V. Martinelli, Prudential, "Servicing National Service Life Insurance."

In the afternoon H. J. Van Stralen, general agent of Massachusetts Mutual, conducted a forum on "Successful Approaches." Walter G. Eader discussed his plan of letter and telephone ap-

proaches. "Getting by the Secretary" was explained by Erle L. Collins, New York Life; George V. Glover, Equitable Society, told of the business insurance approach and Don C. Wood, Beneficial Life, spoke on veterans pensions and social security.

Another forum on "Successful Presentations" was conducted by the San Francisco C. L. U. chapter, with Leonard M. White, Northwestern Mutual, in the chair. William H. Dunkak, Acacia Mutual, handled social security; James V. Lawry, Northwestern Mutual, programming, and Thomas A. Gallagher, Prudential, business insurance.

H. Washington Dodge, Mutual Life, was chairman of the "Successful Closes" session, which was sponsored by the Quarter Million Round Table. J. Wayland Barnette, Northwestern Mutual, told how to close business executives; Bernard Jaffe, Penn Mutual, told how a million dollar producer closes and George S. Hauck, National Life of Vermont, told how to close through programming.

Shipley Presides at Congress

The congress was opened by Richard J. Shipley, Northwestern Mutual, president of the San Francisco association, and Robert L. Levin, Metropolitan Life, general chairman, outlined the objects of the conference. Ernest W. Owen, retired manager of the Sun Life at Detroit and now British vice-consul in San Francisco, gave his famous talk, "The Thirteen Keys to Success."

At the luncheon Dr. Rex Harlow, president of the American Council on Public Relations, spoke on the importance of salesmanship, selling through personal relationships, the friendly attitude and earnestness. Dr. Harlow was formerly head of a large sales force and is now public relations consultant for a number of large industrial concerns. He was formerly associate professor of public relations at Stanford University.

H. Kenneth Cassidy, Pacific Mutual, presented Herrick C. Brown of Oakland, immediate past president of the California association, a plaque in behalf of that organization. This was done at the congress because the state body did not hold a convention this year.

At the closing general session, Dewey Mason, general agent of Occidental Life at Riverside, Cal., gave one of his amusing and philosophical talks.

Hal Nutt Is Jaqua Aid at Purdue

Lt. Hal Nutt, who has been released by the navy, has become identified with Purdue University as associate professor of insurance. Prior to the war Mr. Nutt was connected with THE NATIONAL UNDERWRITER in the Diamond Life Bulletins department. At Purdue he teams up with A. R. Jaqua, who is newly appointed professor of insurance. Mr. Jaqua resigned as associate editor of the Diamond Life Bulletins to go to Purdue.

Williams in Des Moines

John P. Williams, educational director of the American College, spoke before the Des Moines C. L. U. chapter, with agency managers also in attendance.

Mr. Williams stated that although the C. L. U. courses are being simplified as much as possible, they are including new features resulting from changes in economic conditions. He said he had received requests recently from 18 colleges for men who can teach the subject.

North Am. Weekly "App" Leaders

Morton Wright of Muncie, Ind., has just completed 650 weeks, 13 years, in the North American Life App-A-Week Club which is the exact time he has been under contract with the company. Capt. M. S. Hunt of Dayton has completed 550

Fear "Fictitious Fleet" Problem in Group Field

Expansion of the group insurance principle in the direction of offering bargains in rates or benefits to a multiplicity of individuals that lack cohesive bonds is causing considerable apprehension on the part of a number of leaders in the life and accident and health field. Some preliminary discussions have been held on the subject on the industry side and it is likely that the question may get earnest attention at the insurance commissioners convention at Grand Rapids the week of Dec. 3.

At the St. Paul convention this spring there was some valuable discussion on the proposition of amending the so-called group definition and it is likely that at Grand Rapids there will be additional comment and perhaps the enunciation of more positive opinions on the part of various elements of the business.

Many Concessions Are Made

Even the most conservative group underwriters have retreated from their stand that group insurance should be confined to the traditional basis involving the employee-employer relationship with the employer constituting the contracting party. The trustee plans such as have been set up under the New York law whereunder group cover is provided for the employees of numerous firms in a single field, now enjoy good standing. Forms of group cover on the lives of certain types of borrowers such as personal loan companies or industrial banks and automobile finance companies is meeting with no challenge. Farm security administration through Washington Life, Washington, D. C., provides group cover for about 18,000 individuals for a total of more than \$12 million. Perhaps with a great home building boom in store, group plans will be put forward to cover mortgagors.

Some of the companies have been willing to insure members of labor unions. There has been considerable interest in the matter of insuring members of trade associations and during the last legislative season many bills were introduced to legalize such arrangements. One objection that has been voiced to such a scheme is that it would likely eventuate in high salaried men becoming heavily insured under group plans because they might have the top limit at their own firm and also as a member of a trade association.

Those that fear extension of group underwriting to fantastic limits, say that the next step could very well be to insure on a group basis all those residing on a particular R.F.D. route. What they fear apparently is something akin to what was known in the late 1920's and early 1930's in the automobile insurance field as the "fictitious fleet." The abuses became so flagrant in this direction that by legislation and departmental edict the practice was stopped and today this is a dead issue. The practice started by insurers permitting individually owned cars of employees of firms to be covered at a preferential rate along with company-owned cars which did constitute a well recognized underwriting unit. Then the bars were still further lowered and relatives and friends of employees got their cars insured at these "fleet" rates and finally groups got to constitute merely those working in a certain building and their friends and relations.

During the discussion at St. Paul a recommendation was made that separate group definitions be set up for life and for accident and health insurance rather than trying to oversimplify the matter with a common definition. Some of the observers declared that somewhat different principles apply in the two fields.

weeks, 11 years, in the club, and Russell Betz, also of Dayton, has completed 500 weeks, 10 years.

Urges Insurers to Enroll Veterans in Training on Job

By BERT A. HEDGES
Kansas Manager B. M. A.

Why should a veteran forfeit his rights under the G. I. bill in order to enter the insurance business? This question may sound silly when put in such a blunt fashion and yet if we are to follow to their logical conclusion the attitudes expressed by many agency heads and company officials relative to the enrollment of veterans in the "training-on-the-job" program under the G. I. bill of rights any veteran who wishes to enter the insurance business must eventually forfeit his right under that very provision of the law.

It should be known generally that there is one section of the G. I. bill which grants a subsistence allowance of \$50 per month to veterans with no dependents and \$75 for those with dependents while they are employed as apprentices or trainees by an approved employer. This allowance is paid in addition to the normal wages or other compensation paid by the employer while the veteran is learning his trade or is becoming established in his chosen business or profession. It is on exactly the same basis as the allowance is paid to a veteran while enrolled in an approved school or college. Insurance companies or agencies can easily qualify under the law for this "training-on-the-job" program. Comparatively few have made application for such approval. Why not?

Objections That Are Heard

Well, here are the reasons or excuses which have been put forth by many agency heads and company executives:

(1) The veteran might be enrolled with us under the program for six months to a year, using up that much of his allowable training or education time and then fail. This would tend to create resentment on his part and on the part of the public generally—"bad for public relations."

(2) "We don't need or have any right to ask the government to finance or subsidize our agents. We'll start and train them on our own money."

(3) "We don't want the government telling us what or how to train our agents."

(4) "With such a subsidy our managers and general agents will be tempted to recruit veterans wholesale, irrespective of actual fitness for the business and with a corresponding increase in number of failures and more bad public relations."

The G. I. bill of rights was conceived to help the veteran help himself become reestablished in normal civilian life, with compensation, so far as possible, for the time we had forced him to give to military service.

For every veteran wishing to finish his class room education, there are perhaps half a dozen who should adopt a less formal training or retraining procedure. Yet, as a beginner, or novice, his employer cannot afford to pay him the wages or salary earned by the man who, for instance, was becoming a skilled man while the veteran was in the service of his country at \$50 or \$75 per month. Perhaps he cannot support his family on such beginners' wages and therefore is obliged to accept a less desirable job in some other line with little or no future but paying higher immediate wages.

The framers of the G. I. bill saw no reason for helping one veteran gain professional training by the scholastic route while denying the other equally worthy veteran the same assistance via the "job-training" route. They therefore wrote into the bill what seems to be the least understood but, in the opinion of many of us who have studied the problem, the most valuable part of the whole act.

It is provided that any reputable in-

dividual or firm employing any type of people for hire and having adequate facilities for training or "coaching" them to become skilled in their fields may be approved as competent "training institution" for veterans within the meaning of the act. The whole idea is so simple that it requires but a single paragraph to be stated. Perhaps its very shortness has caused it to be lost in many paragraphs comprising the entire bill.

Applies to Home State Board

The employer wishing to enroll one or more veterans for training under the act, makes application to his home state board as designated by the governor for approval as a qualified training agency. Most state boards require only a brief outline of his proposed training program, together with a statement of normal wages paid (1) to beginners and (2) to established or skilled men in the job or field for which the veteran wishes to be trained.

The standard practice in most states thus far is for the board or committee to approve all reputable employees upon application and for the veterans' administration in turn to register as duly qualified all employers recommended by the state board. There is no fee for such certification.

The employer then seeks and employs the veteran or veterans of his choice in the same manner as he would contact any other person. On the other hand, the veteran may contact the employer of his choice through personal knowledge, an employment agency, etc. His nearest employment agency, veterans' administration office or his own state board will usually give him the list of employers approved for training in his chosen field. Often, the veteran-employer contact is made before the employer has known or thought about the mutual benefits obtainable under the act and the two work out the necessary qualifying steps together.

In order to qualify for receiving subsistence, the veteran proceeds in exactly the same manner as that followed by a veteran enrolling in a college under the act. That is, he submits his application for training on the prescribed form (No. 190) to the nearest veterans' administration with certified copy of discharge. Upon receipt of approval certificate he completes same, naming the firm which is employing him for "training-on-the-job" and if firm is approved, the veterans' administration automatically approves his subsistence allowance. Checks will be paid to him monthly thereafter for his allowable time so long as he remains in training. The employer makes a very simple report on a one-page sheet mailed to him monthly by the veterans' administration and showing merely that the veteran is still on the job, what wages are paid and any other appropriate comments on the veterans' progress, absences, etc.

Example Is Set Forth

Example: An office supply house hires a married veteran to be trained as a salesman at a beginning salary of \$125 per month. This is the normal beginning salary paid by this firm for inexperienced men, veterans or non-veterans. His experienced salesmen average \$250 per month. The veteran will, therefore, receive as subsistence allowance the difference between \$125 per month and \$250 up to the maximum allowable or \$75. In other words, the veterans' total income is \$200 a month. In six months, according to his standard practice, let us suppose the employer offers a small commission in addition to his salary and this increases the veterans' total income received from employer to \$180. The maximum subsistence allowance of \$75 would total \$255. It will be recalled that the experienced salesman receives only an

average of \$250 per month. Therefore the veteran's subsistence payment would be reduced to \$70 and so on. When the veteran's income received from his employer reaches the average paid to skilled men by this firm, the subsistence allowance ceases, as it should. Of course, the subsistence allowance would cease in any event when the veteran's total education or training time earned by military service has expired.

While exercising no direct control over the employer in his training program, the veterans' administration does have authority to remove any firm from the approved list if it does not conduct a fair training program. Likewise, a veteran may lose his right to receive subsistence allowance if he doesn't carry his end of the job.

Life insurance selling is peculiarly suited to this type of training. For are not practically all life insurance agents "trained on the job" with a minimum of class room instruction? Isn't life insurance a business or profession requiring from one to five years in which to become established as successful life underwriters? Haven't we written and spoken thousands of words on "proper selection," "sound supervision," "coaching in the field," "permanence," etc.?

Life Insurance Is Natural

Surely, if there was ever an occupation made to order to qualify under this "Training-on-the-job" phase of the G. I. bill of rights it is that of life insurance salesmanship (and all other forms of insurance for that matter).

And yet we have found either indifference or actual opposition to this veterans' program as applied to life insurance. Perhaps I should say that many company officials have taken the stand that "We won't say 'no' because we don't want to get in bad with the veterans and their friends. But we certainly won't say 'yes' or encourage our agency heads to participate in it."

Let's look at those implied or stated objections set forth at the beginning of this article.

ANSWERS OBJECTIONS

Veterans might fail. Does anyone know of any firm, institution or individual who will guarantee that any veteran or any one else will become a permanent success or a permanent employee as a meat-cutter, a doctor, a plumber, or a mechanic after completing any and all specified courses of training or study? Should we of the life insurance business have any less courage or any less confidence in our business, our training methods, and our supervision than those of any other business? Are we saying now that all we have said and written during half a century about the opportunities of life underwriting was just "window dressing"—that we know our system is rotten and ineffective? Or are we just lacking in what these veterans had on Iwo Jima and Okinawa and in the Belgian Bulge?

No Dictation From Government

Don't want government money. Has any manager or company who refuses to permit his veteran recruit to qualify for his \$50 or \$75 per month subsistence allowance offered to guarantee that veteran \$50 or \$75 of his own money to replace his loss? Who has the right to reject it anyway, you or the veteran? A moment ago we said we feared the veteran would use up some of his allowable training time and then fail. Now we are telling the veteran that "if we hire you, you must give up all your allowable training time and benefits." For by the time the veteran has sweated through those lean years and has become a success the time allowed under the act for him to qualify for such benefits will have expired. We, therefore, have compelled him to forfeit all benefits receivable under this portion of the act if he wants to work for our company.

How is he going to feel about that

three or four years from now when he finds it out?

Don't want the government telling us what to do. Better read the act again on that point, for the framers of the bill were away ahead of you. It is specifically stated that "no government authority shall exercise any control over the personnel or methods" used in carrying out the training program. The only authority the government has is to remove the firm from its approved list and this is done only upon proof of gross dereliction of performance.

Matter of Qualifications

Managers will hire veterans without qualifications. This would be a funny one if it were not such an insult to us managers. It is saying in effect "Our managers are both morons and ungrateful Americans. They will throw away the amount of money regularly guaranteed or advanced to any ordinary new man just for the fun of seeing the government throw away \$75 a month on a bunch of veterans. For the law states that wages or other compensation paid by the employer to a veteran in training must be comparable to wages normally paid to unskilled non-veterans." Would you further imply that that same manager would feel no more obligation to train the boy who has been through the hell of battle to save our hides than he would feel towards anybody picked up at random? My observation is that the vast majority of managers employing a veteran on a definite training program of this type is more likely to lie awake nights figuring out better selection, training and supervision methods lest he have the responsibility of such a boy's failure to plague him the rest of his life. I know whereof I speak. I have three veterans in "training-on-the-job" now under the G. I. bill.

Having felt morally obligated to overhaul my general training program I soon found myself doing a much better job with my non-veteran recruits as well.

Stimulation of Manager

I believe that if every manager or general agent had at least one veteran on this "training-on-the-job" program, he would become a better manager because of that responsibility. It might be the prescription needed for some of us to get out of our physical and mental easy chairs that we've been occupying too much of the time during recent years and put us back to work at our job for which we are theoretically paid—that of being honest-to-God managers and leaders of men, both veterans and non-veterans.

It is generally agreed that practically all of the men recruited for the insurance business during the coming years will be veterans of World War II. I have just pointed out that in hiring any veteran without first qualifying our companies and our agencies under this act we are, in effect, compelling him to forfeit certain benefits running as high as \$3,600 for the privilege of selecting our company and our agency. How long do you think it will be before any veteran smart enough to qualify as your agent or mine will wake up to that fact? He'll certainly be told about it by veterans' organizations, by other types of business and by some of us in the insurance business who not only have the nerve to believe we are as well qualified as a bank or an auto dealer to give adequate training on the job but who will also "go to bat" any time anywhere to see to it that these boys get the benefits they have been promised.

What are you, Mr. Manager or Mr. Company Executive, going to do about it?

Alliance Life Leaders

Three new members in the current President's Club of Alliance Life are General Agent Fred W. Johnson, Kewanee, Ill.; L. E. Underwood, Westgate, Ia.; and C. J. Gilbert, Champaign, Ill.

Closer Selection of Industrial Risks Is Needed

In the last 10 years the lowering of interest rates and pressure for increased compensation to agents have made it necessary for greater attention being given to selection of risks on weekly payment insurance. William H. Lockety, assistant vice-president of Life of Virginia, said in his talk before the Institute of Home Office Underwriters in Chicago. M. Terrell Weaver, vice-president of Bankers Health & Life, Macon, Ga., dealt with the amount of coverage that should be offered. W. E. Stovall, Gulf Life, discussed "Rating Industrial Similar to Ordinary."

Closer selection, Mr. Lockety said, has been necessary to enable the companies to establish and maintain the cost of this type of insurance on levels attractive to the public.

The fundamentals of underwriting or selection are the same whether the policy is large or small, he said, but in dealing with weekly payment policies which are small, the large volume makes speed in handling and simplification of clerical routine essential.

Agent's Importance

The factor of the agent is more important to the underwriting of the small policy even than in connection with the large case, he said. The placing of insurance on a desirable class of applicants depends upon properly selected, trained and supervised agents who must not only know production and conservation but also selection. The agent must have confidence in the underwriting standards of his company, Mr. Lockety said, and to get this there must be a clear understanding of what these standards are and why they are necessary. Better understanding and closer cooperation of the agent can be brought about periodic agency visits of those in the underwriting department and by discussion of underwriting problems with agency officials. If a reprimand of the agent is warranted, it is much better to let this go out from the agency department, he said.

Another factor is the application form, which should be designed to develop only the information needed properly to classify the risk. It should be easy to complete within a short time, he said. His own company, he said, a few years ago began to simplify the blanks and reduce the number of questions asked.

Special Problems

The home office procedure in handling weekly payment applications presents special problems. Most of the applications are received Monday mornings, the issue for the week is closed on Wednesday morning to permit necessary accounting work to be completed and the policies are written in time to reach the agency by Friday morning. This causes peak loads in the different sections at different times during the week, a problem that is met by transferring part of the clerical force from one section to the other.

All ordinary and weekly premium underwriting is now concentrated in one department, Mr. Lockety said, with these advantages: It is easier to keep the underwriting of both types of insurance in line with each other; there is less confusion in matching papers, there is opportunity to train home office underwriters, and a large force is available for use on one type of insurance when peak loads occur.

Whether larger amount of insurance should be offered on the weekly premium basis is a matter for each company to decide, Mr. Weaver said in his talk. There is no such standard except such as may be required by the insurance laws of some states. A good deal will depend upon the company's experience with its weekly premium policies of larger amounts, he said. A careful medical in-

spection seems indicated, or at least an inspection and report by a reliable inspection company.

Mr. Weaver said he thought the future income of a large part of the industrial class of workers is too uncertain to encourage the idea of practices predicated on the income of this class for the past four years. The business basically requires conservatism, and there should be no radical departure from practices which experience has proved safe unless a thorough analysis of experience indicates such departure is desirable for the interest of policyholders.

Mr. Stovall expressed the belief that there should be no great difference between the systems employed by an insurance company for underwriting its ordinary and industrial applications. The industrial business calls for a higher mortality than ordinary insurance, and this fact must be considered, but some uniformity in the method of underwriting both should exist, he believes.

He suggested that the numerical system of rating ordinary should be applied to industrial insurance. In order to overcome that handicap of the smaller amount of information on the industrial application, Mr. Stovall suggested teaching the field men how to select risks. This will take time and require a definite training program. It should be done through key men, managers, superintendents, supervisors and the like, supplemented by occasional visits for the home office underwriter in the field plus bulletins outlining reasons for different ratings and explaining why a perfectly healthy person who might be overweight or a person having asthma should not be entitled to standard rates. Perfection cannot be attained, but it is surprising how the average field man will cooperate with the underwriting department if he knows why certain requirements are expected of him.

There can be a good deal more reliance on the industrial agent of today than in previous years, Mr. Stovall believes. The modern industrial agent is a much higher type individual than he was 10 years ago. He is better trained and better paid. He now considers his job as a profession instead of just something to do after having failed everywhere else. The public respects him more. He is writing an improved quality of business and in larger volume. Many companies who sell both industrial and ordinary require their industrial agents to sell more ordinary than before.

He said Gulf Life has been issuing rated industrial policies for many years. The biggest advantage is in encouraging agents to give full information on the application. The company writes rated industrial business up to the mortality rate of 200 and believes that in this way, by rating a very small percentage of applications, it has gained a better mortality on all of its business.

W. B. McIntosh, underwriter for Inter-State Life & Accident, discussed the technical aspects of checking applications against the industrial impaired risks file.

Unity Life Waives War Clause

Unity Life & Accident Association of Syracuse has waived the war clause in its life policies by paying the difference on those already settled. In the future claims will be paid in full.

Mrs. Rose Leonard, 21-year old daughter of Frank J. Price, Jr., associate manager of advertising and publications of Prudential, died following a heart attack. She had been ill about a year. She was the wife of John F. Leonard, technician fifth grade, who was home on furlough.

You get sales ideas from the top-notchers, in the A. & H. Bulletins. Write The A. & H. Bulletins, 420 E. 4th St., Cincinnati 2, Ohio.

D. C. 5% Investment Bill Meets Opposition; Want Specifications Provided

WASHINGTON—Opposition from District of Columbia officials led Rep. Feighan, Ohio, chairman of the House District of Columbia subcommittee on insurance and banking, to suggest that H R 3375, by Rep. Randolph, West Virginia, be rewritten. Committeemen said they saw no reason why the officials and representatives of domestic life companies should not get together on a revision specifying particularly the types of investments encompassed in the provision that 5% of assets may be invested otherwise than in accordance with the investment statutes.

The original bill would have allowed them to invest in anything, according to District officials. Superintendent Jordan and Corporation Counsel West opposed the bill on that ground, at a subcommittee hearing last week.

Witnesses supporting the Randolph bill were President William Montgomery and Vice-president Howard W. Kacy of Acacia Mutual Life, who appeared as a committee representing all 10 domestic life companies. Robert Hogg, manager American Life Convention, urged favorable consideration of the bill in a memorandum, which said that further extensions of the investment field for life companies have been authorized by various states in a recent period.

The subcommittee was told that the field here for life companies has "dried up", and that domestic companies want to be allowed to make loans under the GI bill, to build, own and operate community housing, invest in redevelopment corporation bonds, railroad equipment trust certificates, interstate bridge bonds and ground rents.

"Our hands are tied in any kind of competitive investment bidding by restrictions of the life insurance act of 1934, enacted when conditions were entirely different than they are now," Mr. Kacy told the committee. "During the war we invested up to the limit in government bonds, but the Victory loan is the last issue of that kind. Where do we go from here?"

Deming N. J. Congress Head

Ernest R. Deming, Unity Life & Accident, was elected president of the New Jersey Fraternal Congress at the annual meeting. Vice-president is Anthony L. Lecoque, Independent Order of Foresters; 2nd vice-president, Paul S. Miklossey, Reformed Federation; secretary, George W. Bauman, Maccabees.

Speeches were delivered by Byron Wright, chief assistant actuary New Jersey department, and Walter C. Below, vice president National Fraternal Congress.

The presidents of the Maryland, District of Columbia and New York congresses extended greetings and the

How Underwriting of Air Risk Has Been Liberalized

World-wide airline passenger travel without limitation is now regarded as a standard risk in the issuance of new life insurance policies by about one-half of the 100 life insurance companies included in a survey made by the Institute of Life Insurance.

In addition, a limited amount of world travel, usually about 50,000 miles annually, is regarded as standard by 10% of the companies, making nearly 60% which now place no underwriting limitations on normal world-wide air travel. Only 10% of the companies now decline applicants who contemplate such travel, or issue policies excluding this risk, the remainder giving individual consideration to each case.

No companies accepted unlimited transoceanic travel as a totally standard risk prior to the war and only a little over 10% accepted limited world travel on a standard basis, while almost a third of the companies then declined outright applicants who expected to make such flights or issued policies excluding this hazard.

Today, pilots and crew members of airlines in transoceanic service can secure life insurance protection for an extra premium with all but 15% of the companies, the extra premium varying from \$10 to \$15 per \$1,000 of insurance. Prior to the war over one-third of the companies turned down such applicants and those who secured insurance paid an extra premium which was usually from \$15 to \$25.

Pilots and crew members on flights in the western hemisphere can now secure life insurance at an extra premium, usually \$5 with all but 15% of the companies. Prior to the war, only about one-third of the companies insured such applicants and the extra premium was then usually \$25.

The insuring of those using private pleasure planes has also been liberalized. Travel as passengers in such planes with a limit usually specified at about 5,000 miles annually, is regarded as standard by 60% of the companies and only 15% do not insure such applicants, while before the war only about a third of the companies would insure such applicants and the travel regarded as standard was about one-fourth that of today.

Owner-operators of planes can now secure life insurance with all but 15% of the companies with an extra premium which is usually about \$5. In 1940, 35% of the companies refused such applicants and the extra premium with those writing policies was usually \$10 to \$15 while in 1935 the extra premium was usually about \$15 to \$25.

Pennsylvania secretary spoke briefly.

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EDITORIAL COMMENT

There Ought to Be a Law

An insurance man who is a veteran of conventions and luncheons thinks there ought to be a law against speeches longer than 18 minutes. He holds out for 18 minutes but might settle for 22. He arranged for speeches for an organization a year or two and knows how treacherous "round figures" are. Told "20 minutes," a speaker often went ahead and without any consideration for the audience gave his talk in his own way and time. But a speaker remembered an 18 minute admonition, or one for 13 or 23 minutes, and tried to fit his material to it.

Our observer has yet to hear a talk the contents of which cannot be delivered in 18 or 22 minutes, and in 99% of the cases it is better at that length than at 25, 35 or 65 minutes. It is infinitely better for the audience, who can

absorb ideas and information rapidly up to 20 minutes or so and then either wants to talk about it or walk around its collective chair. In a long session, such as at conventions, two 18 minute talks each followed by a discussion of like duration, and the pair succeeded by a good long recess, would be something meeting attenders dream about and would still permit as many speakers to appear. Perhaps this discussion should extend to readers, who might like shorter editorials and news stories.

Speakers do a lot of work and thinking, most of them, in preparing a speech. They deserve credit for stimulating the thought and standards of their hearers. They deserve all the attention they can get. However, perhaps if they were a little shorter, their audiences would last a little longer.

Keep It Close to Home

Proponents of the Wagner-Murray-Dingell bill regard themselves as liberals and label opponents of the measure as reactionaries. Yet the effort to secure greater centralization by placing unemployment compensation altogether in federal hands and by setting up for administration from Washington medical care for 110 million people is "a movement of the most reactionary character."

So, M. A. Linton, president of Provident Mutual Life, terms portions of the present social security measure. He is an outstanding authority on social security and an advocate of changes that will iron out injustices in the present system and make it more useful to the people.

Were Washington to succeed in its attempts to retain control of state employment offices after "borrowing" them for the war only, to acquire complete control of unemployment compensation, and to set up and govern medical and hospital care for nine-tenths of the people, it is doubtful if any federal administration could be successfully dislodged. It would be impossible to determine local needs with any accuracy or justice, and recipients would feel little or no

responsibility to a center so far removed.

It is comparatively simple to determine that a person is 65 and is therefore entitled to old age and survivors insurance benefits. It is putting too much of a burden on human nature, no matter what the system, to decide from Washington who in Sikeston, Mo., is entitled to unemployment compensation, or who in Walla Walla, Wash., should receive medical and hospital care. One can be determined by the simple fact of age, but the other involves judgment, opinion, prejudice, and political ambition. It would be extremely dangerous to provide 110 million people with hospital and medical care at all, and wherever judgment is involved as to any sort of benefit under social security it should be decided close to home where there is some responsibility.

To place in Washington great power is dangerous and reactionary. The American social and political system would quickly go to seed. America is the product of an effort to get away from concentration of power, which starts by making a lot of promises and ends up by demanding a lot of performance with little in return.

Effect of Good Training

From time to time there will be changes from old time practices, economic jolts and readjustments in business. It is interesting to watch the attitude of different companies and the members of their organizations when confronted with these abnormal conditions.

Take for instance, the restrictions as to railroad travel, the new rules that have gone into effect regarding Pullman reservations, the withdrawal of many Pullman cars from civilian travel, the shifting of hundreds of day coaches now in regular use to strictly military purposes. These exigencies will naturally

cause much discomfiture and will mean a change in daily business practice.

Companies that have well trained and well schooled representatives and home office people will go ahead in spite of all these difficulties. They have sufficient momentum to carry them along in a normal way. They need not have any supervision for some time, if necessary. They are fully capable of getting

along.

It is situations like the present that test an organization. One that is well disciplined and has had careful training is not jolted by these changes that we are obliged to make. This goes to show the necessity of companies developing organizations that are prepared to meet any emergency that may develop in times like these.

PERSONAL SIDE OF THE BUSINESS

State Treasurer J. Edwin Larson of Florida, who is also insurance commissioner and Deputy Commissioner D. D. Murphy of South Carolina were at the Edgewater Beach Hotel, Chicago, for the meeting of the National Association of Securities Commissioners.

Col. John H. Foster, III, of San Antonio, one of the leading producers of Amicable Life before entering service, was presented the Order of the British Empire in the British Embassy at Washington by Lord Halifax for his service on the combat operational staff, Mediterranean allied air force. Following the ceremony, he and his wife attended the Notre Dame-Army football game as guests of Lt. Gen. Ira C. Eaker, under whom Col. Foster served in the Mediterranean area.

Owen D. Murphy, manager of John Hancock Life No. 1 Boston office and past president of the Boston Life Underwriters Association, was honored at a luncheon meeting of the Boston association and presented an honorary membership in the association.

Mr. Murphy retires from active business Dec. 1, after 35 years.

A. Herbert Nelson, Minnesota manager of Business Men's Assurance, has been named Hennepin county chairman for the \$5 million fund drive for the Sister Kenny foundation. Bing Crosby is national chairman.

David P. Smith, special agent at Fort Dodge, Ia., for Central Life of Des Moines, is now at his home after being confined to Lutheran Hospital nearly six weeks due to a severe case of arthritis in his knees. He served as general agent for Central Life for 27 years and has been special agent for the past 10 years. He is chairman of the membership committee of the Fort Dodge Life Underwriters Association.

On the 80th birthday anniversary of Vice-president Howard M. Emmons, Monumental Life of Baltimore announces the institution of the Howard M. Emmons trophy to be awarded quarterly to the agency that leads on regular ordinary increase per man. The trophy is placed in competition starting with the last quarter of the current year.

It was 23 years ago that Mr. Emmons was assigned to create the ordinary department of Monumental Life. Prior to that he had been with the company several years in a legal capacity and before that he was engaged in the private practice of law.

Emmel Golden, Reliance Life, has been elected a director of the Memphis Sales Managers Club.

Robert H. Carter, general agent of Connecticut Mutual Life at Oklahoma

City, who underwent an operation, is reported recovering satisfactorily.

J. E. Conklin, Equitable Society field assistant at Hutchinson, Kan., past president of the Kansas Association of Life Underwriters, has been endorsed by the Hutchinson Rotary Club for the presidency of Rotary International.

DEATHS

James A. Beha, former New York insurance superintendent, who died suddenly the other day, continued to be closely identified with the insurance



JAMES A. BEHA

business to the end. He was a director of Western & Southern Life and of Union Labor Life and was frequently seen at insurance gatherings.

After leaving public office in New York he served for a number of years as general manager of the National Bureau of Casualty & Surety Underwriters.

William Nickerson, Jr., 66, founder and president of Golden State Mutual Life, died in Los Angeles after a brief illness.

In 20 years Mr. Nickerson had brought his company from a new venture to the position of being the second ranking Negro life company in the country. Golden State Mutual was founded in 1925 as an assessment company as Golden State Guarantee, the present name being adopted in 1931. Subsequently it was transformed into



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a Chapter 6, and then into a Chapter 9 company. It was one of two Chapter 9 companies given a clean bill of health in 1940 by former Commissioner Caminetti. Since then Golden State Mutual has become a mutual legal reserve company. It owns its own home office building. It is licensed in Illinois and is planning to enter Texas.

Mr. Nickerson was born in San Jacinto County, Tex., and went to Los Angeles in 1921.

W. H. Folwell, 68, president of Pennsylvania Manufacturers Association Casualty and a director of Fidelity Mutual Life and Girard Life, died at the home of a daughter, Mrs. Hebert Adam, in Wynnewood, Pa. Mr. Folwell, a native of Philadelphia and graduate of University of Pennsylvania, was prominent in the textile business for over 40 years and in business, political and financial circles in Philadelphia.

Herman Magnus, secretary-treasurer of the Manhattan (Kan.) Association of Life Underwriters, died there following a two months illness.

James E. Anderson, 32, a member of

the Knepper, White & Dempsey law firm at Columbus, is dead. He was a member of the International Association of Insurance Counsel and was active in insurance legal affairs.

W. C. Williams, district manager of the Massachusetts Protective companies for Michigan and former general agent for the group in Michigan with headquarters in Detroit, died at an advanced age at Highland Park General Hospital. Joining Massachusetts Protective in Kentucky 34 years ago, he served as general agent in West Virginia and in 1918 went to Detroit as Michigan general agent. He became district manager in 1925 when C. E. Boner became general agent.

Andrew X. Schmitt, 82, one of the old-time life men in Chicago, died at St. Petersburg, Fla. He had been with Prudential since 1887, and retired as superintendent in 1929.

After a serious illness of only one day, **Hugh S. Jeffrey**, 58, district manager of People's Life of Indiana and in the insurance business 35 years, died at the Methodist Hospital in Fort Wayne.

LIFE AGENCY CHANGES

Wischmeyer, Plante Cleveland Team

Henry G. Wischmeyer, John Hancock general agent at Cleveland, has taken George H. Plante into partnership and the agency will hereafter be known as the Wischmeyer & Plante General Agency.

Plante with Agency Since 1939

Mr. Plante has been associated with the Wischmeyer agency since 1939 and since 1943 has been associate general agent. He attended University of Detroit and has spent his entire business career in the life insurance business.

Mr. Wischmeyer has been general agent at Cleveland since 1925 and has been associated with John Hancock for many years. He has served as president of the Cleveland Life Underwriters Association and as national committeeman. For the past three years he has been director of the Cleveland Safety Council.

Sawyer and Wiegert Form Mass. Mutual Team in Ill.

Ernest M. Sawyer of La Salle, Ill., and Ray F. Wiegert of Rockford have formed a partnership as co-general agents at La Salle for Massachusetts Mutual Life. Headquarters will remain at the La Salle State Bank building.

CONVENTION DATES

Nov. 28-30, National Fraternal Congress, Hotel Morrison, Chicago.

Dec. 2-5, Insurance Commissioners, Pantlind Hotel, Grand Rapids, Mich.

Dec. 4-6, Industrial Insurers Conference, Nashville.

Dec. 10-12, Bureau of Personal Accident & Health Underwriters, Hotel Claridge, Atlantic City.

Dec. 11-12, Association of Life Insurance Counsel, Hotel Claridge, Atlantic City.

Dec. 14, Life Insurance Association, Waldorf-Astoria, New York City.

Dec. 17-19, Insurance Section, American Bar Assn., Cincinnati.

1946

Jan. 23-25, National Assn. of A. & H. Underwriters, Wichita, Lissen Hotel.

March 11-16, N.A.L.U. Midyear, Omaha.

May 27-29, Canadian Life Officers Association, Hotel London, London, Ont.

Sept. 9-13, N.A.L.U. Annual Convention, Cleveland.

Write more accident business by subscribing to The Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

while an office will be maintained in Rockford with Mr. Wiegert in charge.

Mr. Sawyer has been a successful general agent for the company since 1921 when he and the late William A. Gillespie became partners to head the La Salle agency. Following Mr. Gillespie's death in 1936, Mr. Sawyer has continued as sole general agent. His home is at Ottawa.

Mr. Wiegert joined Massachusetts Mutual in 1937 and has been one of the leading life insurance men in Rockford. A graduate of Beloit College, he engaged in the real estate business and the sale of securities previous to his life insurance career. He is a past president of the Junior Chamber of Commerce and the Life Underwriters Association. He is a C. L. U.

W. B. Hoyer Returns to John Hancock from Navy

COLUMBUS, O.—William B. Hoyer has returned to the Ralph W. Hoyer agency of John Hancock Mutual Life here, having been released from active duty after serving 3½ years in the navy.

At the time of Lt. Hoyer's release he was directing the navy's National Service Life Insurance and benefit program for New York state, Connecticut and the northern half of New Jersey, with headquarters at New York.

Lt. Hoyer was graduated from Ohio State University in 1937. He received his master's degree in business administration from the business school of the University of Pennsylvania in 1938 and his C.L.U. designation in 1941.

Lt. Hoyer is currently chairman of veterans' affairs for the Ohio Association of Life Underwriters.

Gaudet with Occidental

C. F. Gaudet, formerly with the Grand Rapids agency of Northwestern Mutual, has joined Occidental Life as home office supervisor for Michigan, Ohio and western Pennsylvania. He will make his headquarters in Grand Rapids.

Havill Brokerage Manager

William B. Havill has been appointed brokerage manager of the Kelley-Baum agency of Manhattan Life in Detroit. He served for five years in the cashier's department and agency department at Detroit of Connecticut Mutual Life prior to joining the Gear Grinding Co.

E. A. Shepard to Am. National

The ordinary department of American National has appointed Emerson A. Shepard as manager at Lubbock, Tex.,

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Many of your clients need a Union Mutual noncancellable, guaranteed renewable Sickness and Accident Policy to round out the personal insurance with which you are already supplying them. By providing your clients with this added protection, you will be doing them a very real service and, at the same time, be able to make service calls mean sales... sales of additional life insurance issued by the company you now represent, as well as of Union Mutual's Non-Can.

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succeeding C. A. Sanford, who will devote his time to his personal clientele. Mr. Shepard was formerly with General American Life. He is president of the Lubbock Association of Life Underwriters.

Fallers Assistant Manager

Lloyd A. Fallers, agency organizer at Boise, Ida., for the Salt Lake City agency of Mutual Life, has been appointed assistant manager of that agency, with offices in Boise. His district includes 18 counties in Utah and one in Nevada.

Leland Named District Agent

Lawrence Leland has been named district agent at Lafayette, Ind., by Provident Mutual Life. Shoptaugh, Spence & Barrett of Indianapolis are general agents for Indiana.

Robbins Resumes as G. A. in N. Y.

Following two years' service in the army, Joseph D. Robbins has been discharged and has resumed active direction of the Robbins General Agency of Manhattan Life at 225 West 34th street, New York. During his absence the agency was operated by his wife.

Mr. Robbins started in 1933 with Equitable Society. He went with Guardian Life in 1938, and by completing 57 cases in April of that year, won the McLain campaign.

In early 1939, he became a general agent for Manhattan Life, and in 1939-40 led all the agents in personal production.

Baltimore Life Men Return

George J. Mucey has returned from the armed services to his position as staff superintendent at Washington, Pa., for Baltimore Life. John H. Graham has returned from military service to be staff superintendent at DuBois, Pa.

Paul M. Spangler has been appointed staff superintendent at Baltimore.

Maj. Ben F. Swank, who served in the African, Italian, and German combat zones, has rejoined the Austin, Tex., agency of Seaboard Life.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

NEWS ABOUT LIFE POLICIES

Occidental Covers Dependents Under Group Life Forms

Occidental Life is now extending coverage to dependents of insured employees under group life policies. The coverage will be in the form of an amendment to the basic policy, and can be added to any Occidental group life policy, whether new or old, issued to a common employer. It provides a lump sum death benefit and can be written on the life of the spouse and all children age 3 months to 18 years. The death benefit for children is graded in the usual manner, except that the maximum amount, \$500, becomes payable upon death after the third birthday. Maximum limits for the spouse are 60% of coverage for an insured employee, not to exceed \$1,000.

Conversion Provision

The spouse may convert to any policy plan except term upon the termination of employment or death of the group certificate holder. The whole family may convert to an ordinary life family group policy upon termination of employment, or the spouse and children may do so upon death of the primary insured.

Where the average premium of the basic policy is \$1.15 per month per thousand or less, the rate for dependent group life coverage for the spouse will be 60 cents a month per thousand. The total cost of insurance for one or more children will be 25 cents a month per \$500. Thus the total cost per month for spouse and any number of children cannot exceed 85 cents.

Limited to California

Occidental has offered medical reimbursement and hospitalization benefits for dependents of group certificate holders for many years. At present the added life coverage is being offered only in California.

John Hancock Retains Present Scale for 1946

The same dividend scale as that currently in effect for ordinary and industrial policies and retirement annuity contracts has been adopted for 1946 by the directors of John Hancock Mutual Life.

The company will set aside \$30 million for dividends to policyholders.

The directors also voted that during 1946 the interest distribution on funds held on deposit or retained under policy provisions will be at the rate allowed during 1945.

The same general dividend formula now in effect will be continued for group policies in 1946 with adjustments resulting from experience shown.

Aetna Maintains Dividend Scale

Directors of Aetna Life have voted to continue the present scale for policy dividends payable next year.

The rate of interest to be allowed in the participating department on the proceeds of policies left with the company for all payments falling due in 1946 and to be allowed on dividend accumulations will be 3% except where a higher rate is guaranteed.

The same rate of interest of 3% will be paid in the non-participating department on funds held by the company except where a higher rate has been guaranteed.

The Life Agency Cashiers & Office Managers Association of Atlanta heard an address by Hugh Lester at its November meeting.

Increase your accident sales with ideas from the Accident & Health Review, \$2 a year, 175 W. Jackson Blvd., Chicago.

ASSOCIATIONS

Carter President of La. Association

M. O. Carter, Jefferson Standard Life, Shreveport, was elected president of the Louisiana Association of Life Underwriters at the annual conference and sales congress in Shreveport. Mr. Carter



Mrs. Eunice Bush



Hugh D. Hart

served the past year as president of the Shreveport local association and vice-president of the state group.

Horace Downs, also of Shreveport, was appointed secretary-treasurer. State vice-presidents are the presidents of the seven local associations: J. L. McCabe, Lake Charles; John Edge, Baton Rouge; R. L. Gates, Alexandria; J. D. Carroll, Monroe; E. C. Dansby, Shreveport; Louis Planchard, New Orleans and A. P. Breaux, Lafayette. The past year the number of local associations in the state jumped from four to seven. The new officers were installed by W. H. Andrews, past president of the National Association. The 1946 meeting will be held in Monroe.

Teekell Subs for Schroeder

Roy Schroeder, Pacific Mutual, New Orleans, retiring president, was ill and unable to attend the meeting. Walter W. Teekell, Lincoln National, Shreveport, state national committeeman, presided at the opening session. Louie Throgmorton, Aetna Life, was sales congress chairman.

Joseph B. Maclean, vice-president and actuary of Mutual Life, in discussing present problems of the life insurance business, expressed a hope that exclusion clauses could be kept out of life policies as much as possible.

Prospect Analysis

Robert M. White, Jefferson Standard manager in Dallas, substituted for O. Sam Cummings, Texas general agent of Kansas City Life, who was ill. Mr. White had assisted Mr. Cummings in preparing a survey showing where agents in the southwest territory are getting their prospects. The survey showed that of the last 10 applications by 240 Texas, Oklahoma, Louisiana and Arkansas agents, 22% were from personal friends; 13% were a result of cold canvass; 12% were old policyholders.

Hart and Mrs. Bush Speak

Hugh D. Hart, vice-president and agency director of Illinois Bankers Life, gave a philosophy-filled address on how to handle people. Sincerity and imagination count more than any other qualities in the life insurance selling field, he said. While in Shreveport Mr. Hart also addressed the Kiwanis and Optimist Clubs.

Mrs. Eunice C. Bush, supervising assistant of Mutual Life at Baton Rouge and chairman of the Women's Quarter Million Dollar Round Table, compared prospecting and interviewing to mining and processing of metal ore.

W. H. Andrews discussed "Life Insurance—an Instrument of Social Service." He pointed to an immediate obligation to explain to returned veterans their rights and privileges under the laws.

Jul B. Baumann, Pacific Mutual, Houston, reported on developments in N.A.L.U. affairs.

CENTRAL LIFE

INSURANCE COMPANY OF ILLINOIS

211 W. WACKER DRIVE

CHICAGO

ALFRED MACARTHUR, PRESIDENT

1905

January 1st, 1945

Assets
\$26,822,165.42

Capital
\$ 500,000.00

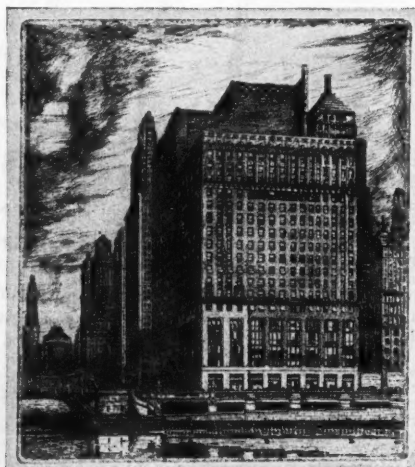
Surplus
\$ 1,000,000.00

Unrealized Profits
\$ 968,598.59

Surplus to Protect Policyholders
\$ 2,468,598.59

Life Insurance in Force January 1, 1945..... \$117,599,824.00

Attractive General Agent's contracts now being offered for territory in the mid-west



HOME OFFICE BUILDING

(Owned by company, free from indebtedness)

1945

Paid
Policyholders
and
Beneficiaries
Since Organization
\$27,073,511.75

Suppose
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the National association, of which he is secretary.

Texas Tri-Cities Congress Dates Set

E. Dale Sheppard, Houston, president Texas Association of Life Underwriters, Connecticut Mutual, in addressing the San Antonio association announced the dates for the Tri-Cities Sales Congress to be held at Dallas Feb. 14, San Antonio Feb. 15 and Houston Feb. 16, and that the convention

of the Texas association will be held at Corpus Christi in June.

Mr. Sheppard said the only successful life insurance man will be the one who is able to adjust himself to changed conditions of the post-war period. During the war life insurance selling has been so easy that the salesman has been inclined to take the easy way and has neglected to keep his sales technique up to what it should be in some cases.

Improved sales technique is especially important, he said, now that life insurance men must compete for the surplus dollars of the prospects with radios, refrigerators and electrical appliances which have been unobtainable for some years.

Heavy taxes and low interest rates, he said, offer improved markets in fields to which little time has been devoted, but he warned that lack of knowledge is fatal to any hope of success in that field.

"Honeymoon" Over, Better Service Required: Allison

OKLAHOMA CITY—At the November meeting of the Oklahoma City Association of Life Underwriters, E. L. Allison of Tulsa, member of the Million Dollar Round Table, declared that the "honeymoon" is over and that life men will have a different picture to face in the future.

"As we enter the reconversion period, there will not be so much easy money to get and we will have to restudy our markets and revise our work programs," he continued. "We will be forced to give more consideration to the quality of service that we give our buyer and make up our minds to go the last mile in seeing that his needs are properly taken care of."

"If I were starting over at scratch, I would see people—then more people—not less than 12 or 15 a day." He emphasized the value of joint work with experienced men, stating that combined skills are a greater force than the sum of efforts of the same two individuals.

An open forum was held with Neal O'Sullivan, Equitable Society, as interlocutor, for the benefit of returned veterans entering life insurance.

The association approved the efforts of the OPA and other government officials to avoid inflation.

At the veterans affairs seminar Nov. 30, with Francis P. Mulkey as chairman, talks by life men will include: "What the Veteran Faces," Lawrence Klein, John Hancock Mutual; "National Service Life Insurance Fundamentals," Herndon Lackey, Massachusetts Mutual, and Minor Smith, Phoenix Mutual; "National Service Life Insurance Miscellaneous Provisions," Harvey Kemp, John Hancock, and T. Scaling Corby, American Mutual.

Agent Can't Afford to Take Things for Granted

R. C. O'Connor, home office supervisor of Reliance Life, told the Austin (Tex.) Association of Life Underwriters that the life salesman should never get to the point where things are taken for granted. He said that when he entered his company's home office agency each agent was given prospect cards. Since he knew no one in the city and was new in the business, he felt that these cards were a gold mine and went out with them. He selected a man who had \$10,000 of life insurance with the company. The result was the sale of a \$150,000 policy with check attached. This man was 58, and the agents had been kicking this card around as of no value because they assumed his insurance buying period was over and that he had what he desired. The situation Mr. O'Connor ran

into was a meeting of directors which had decided to buy keyman insurance, and he said the sale was not due to his presentation.

He decided that the greatest field for the selling of life insurance that has ever existed is in connection with social security benefits. He said millions of workers now can be sold a program, a thing that has never before been possible. He told of visiting an employee of a druggist and entering into a conversation with the druggist, which developed that the druggist was making money but had not provided for his own retirement. Mr. O'Connor told him it did not make sense for the employer not to do for himself the thing which the law compels him to do for his employee. A sale resulted.

He stressed the importance of service for the returning veteran.

Life Insurance Guarantor of Security: Reynolds

DETROIT—Never before has there been so much money in circulation, never before has it been so widely distributed among the people and never before has sales resistance been so low. "Are we gearing our activities to our

opportunities?" C. E. Reynolds, administrative assistant to Vice-president C. J. North of Metropolitan, asked the Detroit Life Underwriters at the November luncheon meeting in a talk on "Security Guarantors."

"Our people have saved \$200 billion during the war, and the competition for these dollars will be the keenest that life underwriters have ever faced. The atomic age has brought a demand for security exceeding that of the past, and mankind has gone to great extremes to provide this security. We take the 'if' out of life with insurance. There has been no V-P Day (victory over poverty) for the common man. We are his security guarantors."

"It is nearly impossible in these days of low interest rates and high taxation to build an estate in any way except through life insurance. This is a fact that we must bring to the attention of as many prospects as possible. Our 'controlled inflation' is making it increasingly difficult to build an estate in any other way."

"A few years ago \$1,000 of insurance proceeds bought \$1,000 worth of merchandise or services, but due to inflation, today that same \$1,000 will buy only about \$630 worth of merchandise or services. It is up to us to show



You Can Plan Today for Your Production and Home of Tomorrow through a RENEWAL COMMISSION LOAN

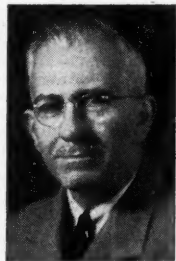
Suppose that you need \$3,000. Suppose your renewals in 1944 were \$1,100. Suppose you are operating under a 9-5 contract. You can obtain a loan for \$3,000. Monthly payments can be \$93.33, or \$72.50. If you wish, you may liquidate this loan with monthly payments as low as \$52.92. Excess renewals received over the monthly deposit required will revert to you during the loan period.

Hundreds of insurance men are now using this plan. If you are interested, write us for tentative loan commitment stating amount of renewal commissions received during last twelve months, terms of contract, and amount of business paid for in 1944. You are under no obligation.

A unique plan developed by us in cooperation with the Northwestern National Bank of Minneapolis.

LIFE UNDERWRITERS CREDIT CORPORATION

MINNEAPOLIS 2, MINNESOTA



E. L. Allison

We Can't See the Woods for the Trees

Millions of our young men and women have lived in foreign countries in recent years . . . have seen world problems from foreign viewpoints. The era of air travel and air commerce has come to their attention with considerable impact. The age of atomic energy dawned on the horizon with dramatic suddenness. We are living in a world of change; we are so close to it that we can't see the woods for the trees.

The Shenandoah Life is in step with changing times. Underwriters are offered a well-rounded line of policies to meet today's conditions . . . liberal first year and renewal commissions, and fair contracts. Group life insurance is furnished to our underwriters at company expense. Cooperation to the Home Office is friendly; field assistance is highly efficient.

Opportunities in Virginia, West Virginia, North Carolina, South Carolina, Tennessee, Alabama, and Mississippi.



Shenandoah Life
INSURANCE COMPANY, Inc.
Roanoke 10, Virginia



this to our clients and to advise them to overhaul their pre-Pearl Harbor insurance programs accordingly. We must show them that living costs have gone up 36% since 1920, so even a bare subsistence program for the family must be 36% larger than it was 25 years ago."

Chicago Advisory Council to Debate N.S.L.I. Aptitude Test

National Service Life Insurance and testing the aptitude tests will be discussed at a meeting Nov. 29 of the advisory council of the Chicago Association of Life Underwriters. The association Dec. 7 and 8 will conduct aptitude tests of 150 agents who have volunteered, the purpose being to check some 20 aptitude tests that are currently in use in life insurance offices. The National Association of Life Underwriters and Sales Research Bureau are conducting these tests throughout the country. The council will consider these tests in the light of the belief that the prestige of agents may be increased by inducting only agents whose future success can be predicted.

Each advisory council member will be furnished copies of the forms issued by the Veterans Administration for use in connection with servicing N.S.L.I.

C. E. Smith, Northwestern Mutual, will preside.

Smith Makes Wyo. Circuit

Ralph W. Smith, Mutual Life manager at Billings and president of the Montana Life Underwriters Association, has completed a tour of the state. He held meetings with local associations to make arrangements for seminars on veterans affairs. The final meeting was held at Great Falls.

D. C. Holds Veterans Seminar

WASHINGTON—The District of Columbia Life Underwriters Association committee on veterans has streamlined the N.A.L.U. veterans' affairs program, according to Frank Resh, chairman of the committee, by holding only one seminar for study of interrelated problems of the veteran and the life underwriter. The local group is located so close to the veterans administration, army and navy headquarters and national offices of veterans' organizations and is cooperating with those organizations and with the District of Columbia veterans' information center, that it was believed, no more than one seminar would be necessary.

At that seminar the lecturers were:

Col. John Marsh, Lincoln National Life, chairman N.A.L.U. veterans affairs committee; Porter Lumpkin, director, and Lt. Col. LeGendre, veterans information center; Capt. Paul F. Grove, formerly personal affairs officer army air corps; Lt. Comm. Tyrrell Krum, veterans editor, Washington "Times-Herald"; H. L. McCoy, director of insurance veterans administration.

Richmond, Va.—Clancy D. Connell, N.A.L.U. president, will speak on "Fruits of Life Insurance." He will be introduced by Herbert R. Hill, Life of Virginia, who is in charge of the program for the 1946 annual meeting of the N.A.L.U. in Cleveland.

Seattle—Clifford H. Orr, president of the American Society of C.L.U., spoke at a joint luncheon meeting of the Seattle C.L.U. chapter.

Fort Wayne, Ind.—Cornelius G. Shied, New York Life, Cleveland, spoke at the November luncheon meeting. He has specialized in writing college-trained men.

South Bend, Ind.—E. A. Crane, Northwestern Mutual Life, Indianapolis, N.A.L.U. trustee, spoke at the November luncheon.

Bluefield, W. Va.—Steady E. Webster, Provident Mutual Life, Pittsburgh, N.A.L.U. trustee, spoke on "Public Relations."

Spokane, Wash.—Clifford H. Orr, president of the American Society of C.L.U., addressed a combined meeting of the Spokane association and C.L.U. chapter. While in Spokane he was the guest of Karl K. Kroger, manager of Business Men's Assurance company and national director of the American Society.

Corpus Christi, Tex.—Professional insurance men have a big responsibility in guiding returned service personnel in purchase and maintenance of a sensible insurance program, Lt. H. A. Kennington, benefits and insurance officer at the naval air technical training center, Ward Island, said in explaining the benefits and workings of National Service Life Insurance.

Kankakee, Ill.—Nathan H. Weiss, Vermillion agency of Mutual Life in Chicago, stressed the importance of the emotional appeal.

Minneapolis—Gordon Volkenant, Minneapolis Honeywell Co., discussed "Electronics, the Magic of War and Peace," at a luncheon meeting.

Detroit—Life membership certificates in the Women's Quarter Million Dollar Round Table were presented to Ruth Kelley, Manhattan Life; Matilda Wells, Prudential, and Florence Lorf, Penn Mutual, and second-year membership to Ruth Day, Bankers of Iowa.

Northern New Jersey—"Careful planning is our responsibility and you must like your business," Roderick Pirnie, Massachusetts Mutual Life, Providence, N.A.L.U. trustee, said. "We sell obligations through life insurance. We must sell with unselfishness and the life man who is not going out to sell victory loan bonds is very foolish, because it will pay dividends later on."

The association will hold its Christmas party Dec. 20.

Boston—A seminar on veterans' affairs will be held Nov. 29. Speakers will include Gen. William L. Blake, regional manager Veterans Administration; Maj. Edward A. Sherman, insurance director first service command; Sgt. Jake Lindsay, holder of a Congressional medal of honor; Arthur H. Dazell, John Hancock; Dr. Horton W. Baxley, Alfred Doucet, George M. Welch, attorney.

Portland, Ore.—Clifford H. Orr, president of American Society of C.L.U., spoke at a joint meeting with the Portland C.L.U. chapter on "Public Acceptance."

Rochester, N. Y.—Glenn Drake, actor, producer and lecturer, discussed personality in business. He showed the importance of the proper physical approach to a prospect, the proper way to shake hands, and how to appear at ease in the presence of a prospect.

Four Seasons Calendar

The 1946 Four Seasons calendar issued by Bankers Life of Des Moines is illustrated from original paintings made especially for Bankers Life by the American artist, Frederick Mizen, who drew the original paintings for the Bankers Life 1945 Four Nations calendar.

MANAGERS

Los Angeles Supervisors Stage Program for Managers

The Life Agency Supervisors Association of Los Angeles put on a program at the meeting of the Life Insurance Managers Association. Tom R. Simons of the E. A. Ellis agency of Pacific Mutual Life, president of the Supervisors Association, was chairman.

Charles P. Houseman, Hays & Bradstreet agency New England Mutual Life, speaking on "Induction—Selection Mediums and Methods," said mass induction is here, but that careful selection of new material is required and will be more profitable. The personal judgment of the supervisor, he said, will have a large part in securing good men.

James W. Peacock, Walter Payne ordinary "A" agency of Prudential, said that in the past two years \$2,500,000 of new business was written by joint work and held that it is invaluable to be in the field with the new man, that it results in better instruction, better and larger policies, but warned that the line must be drawn so as not make the new man a "bird dog" or a "leaner."

Victor H. Kelly, Kellogg Van Winkle agency of Equitable Society, talking on "Morale Building Among the Older Agents," said the biggest contribution the supervisor can give is to build and maintain morale among the agency force. He declared there is no such thing as an old agent. The morale of an agency is either high, low or there is no morale. The supervisor's work should contribute to the maintenance of the new man's self-confidence.

Robert B. Ogden, Jr., Charles E. Cleaton agency of Occidental Life, talked on "The Effect of Reconversion on Prospecting." He said changes in business conditions affect life insurance but not the good man.

Spokane Cashiers Elect

New president of the Life Cashiers Association of Spokane, Wash., is Mary Hill, Pacific Mutual. Before going to Spokane, she was cashier of Phoenix Mutual at Watertown, S. D.

Morley Swett, Mutual Life, is vice-president; Margaret Wood, Northwestern National Life, secretary.

Judge Is Seattle Speaker

Superior Judge Matthew W. Hill, King county, addressed the Seattle Life Managers Association at a luncheon meeting Nov. 19.

Getting Men Into Production

A panel discussion on getting men into rapid production will feature the luncheon meeting of the Associated Life General Agents & Managers of Detroit Nov. 29. E. W. Albachten, Pacific Mutual, will preside and J. L. Lee, Phoenix Mutual, will conduct the discussion.

Phila. Cashiers Elect Best

Earle E. Best, Union Central Life, has been elected president of the Philadelphia Life Insurance Cashiers Association. Natalie Rossman, Berkshire Life, vice-president; Madeline Malseed, Phoenix Mutual, secretary; Alan Hobensack, Provident Mutual, treasurer.

Speaker was A. C. F. Finkbinder, general agent of Northwestern Mutual, on "Sales Concepts for Local Office Staffs."

The Life Insurance Cashiers Association of Boston heard an address by Arthur W. Sears, supervisor in the Boston agency of Phoenix Mutual, on "General Confusion." He gave the Seabees angle of the war in the Pacific.

Frederick D. Russell, president of Security Mutual Life, is presiding at the School Teacher-Newspaper Man Institute which is being held weekly at Binghamton, N. Y., to take up subjects mutually interesting to schools and newspapers.

STATEMENT OF FACT OF INTEREST TO EVERY LIFE INSURANCE SALESMAN

HAVING a good thing to sell is over half the battle; this is an axiom understood and appreciated by every salesman. Last year, Modern Woodmen Agents sold 30.8 more new business than in the preceding year—the increase in the industry, as a whole, was only 3.4 for the same period.

increase of
new business
in
life insurance
1944 over 1943

ALL COMPANIES



Why? Just this: Our men had a good thing to sell. Our Agents made money last year, are making it this year and will continue to do so . . . because of a liberal compensation plan, aggressive field work and sympathetic Home Office co-operation. YOUR inquiry into the possibilities of a connection as a personally producing District Manager, in charge of other men, is cordially invited. Generous financing plan offered. Write, without obligation, today.

FIELD DEPARTMENT

MODERN WOODMEN OF AMERICA

1502 Third Avenue, Rock Island, Illinois

Insurance in Force Over One-Half Billion Dollars

"Registered Policy Protection"

HEALTHY PROGRESS

Among 37 Texas legal reserve companies, Republic National Life is larger than 27 of them. Only a few have voluntarily come under the exacting but optional Registered Policy provisions. Republic National Life is one of that few.

Nationally, Republic National Life is in the top half.

It was one of the first to provide lifetime commissions and Agents' Pension Plan.

Theo. P. Beasley,
President



DALLAS 8, TEXAS
HOME OFFICE

REPUBLIC NATIONAL LIFE INSURANCE CO

NEWS OF THE COMPANIES

John Hancock Names Stack V. P.; Others Promoted

Lee P. Stack has been elected a vice-president of John Hancock Mutual. He has been second vice-president since 1943, and in the investment department since 1933 and previously served as assistant treasurer.

Several new promotions and appointments have been made because of the retirement of Vice-president Fred P. Hayward. Robert D. Patterson was appointed manager of the bond department. He has been in the finance department since 1934 and has specialized in the handling of utility properties and municipal bonds.

Charles F. Mitchell, assistant treasurer since 1935, has been appointed to the new office of financial secretary. He has been with John Hancock since 1909 and prior to becoming assistant treasurer was a special assistant to the treasurer in connection with bond investments.

New Farm Mortgage Manager

Wendell P. Hiltbrand was appointed manager of the farm mortgage department. He was associated with the Chicago farm loan agency of the company before going to the home office farm mortgage division in 1931. He has served as assistant treasurer since 1935.

Three new assistant treasurers were elected, Charles A. Leggett, who has been with the company since 1939; Irving E. Tisdale, who joined the finance department in 1921, and C. Carter Billings, who joined the company in 1930.

James H. Magee has been promoted to manager of the city mortgage department succeeding Godfrey H. Robinson, assistant treasurer and city mortgage manager, who retires Dec. 31. Mr. Magee has been with the company since 1911 and served as assistant treasurer since 1923.

Dwight M. Alden and William J. Stelzer were elected assistant secretaries. Each has been an assistant manager of the industrial policy department since 1944. Mr. Alden joined the company in 1922 and has served in the home office collection division and industrial general staff. Mr. Stelzer has been with the company since 1909, serving in the northern and northeastern divisions.

Bartels Travelers General Counsel

Travelers has appointed Millard Bartels as general counsel succeeding Francis W. Cole, who became chairman in July and retained the position of general counsel pending the appointment of a successor.

Mr. Bartels was born and grew up in Syracuse, New York. He is a graduate of the college of arts and sciences and the college of law of Cornell university. He was admitted to the bar in Connecticut in 1930.

Mr. Bartels went directly from college to the compensation and liability department of Travelers in 1929 and was transferred to the law department in 1933. His duties there have grown steadily and he now becomes head of that department.

Mr. Bartels was elected to the town council of West Hartford in 1939, 1941 and 1943 and served as president from 1943 to 1945. He has been active in many war time projects in West Hartford.

Luker Named Vice-president

Carl Luker, superintendent of agents of National Life & Accident, has been named vice-president. He started as an

agent while at Vanderbilt University and after graduation led the field in 1932 and was advanced to superintendent the following year. He later served as manager and then special supervisor.

Edwards, Cook, Schiorring to Columbian Nat'l Posts

Ralph E. Edwards has been appointed assistant actuary of Columbia National Life; Henry W. Cook, Jr., has been appointed as an underwriter in the life department, and Frank L. Schiorring has joined Columbian National as an assistant in the agency department.

Mr. Edwards has been in the actuarial department of Prudential. He is an associate of the Actuarial Society of America and American Institute of Actuaries. He graduated in actuarial science from the University of Michigan.

Mr. Cook served as a communications officer in the navy. Prior to the war he was for 10 years at the home office of Northwestern National Life, mainly in the underwriting department. He is a graduate of Princeton. With his father, the late Henry W. Cook, M.D., who was vice-president and medical director of Northwestern National, he wrote the underwriting guide "Issued As Applied For."

Mr. Schiorring graduated from Tufts college in 1940 and was with Liberty Mutual, the casualty company, in Boston and Philadelphia until he went into military service with the army air forces.

Provident Mutual Assets Now Top Half Billion

Total assets of Provident Mutual Life now exceed \$500 million for the first time in its history, according to President M. Albert Linton.

Resumes Post in Topeka

Ralph H. Sandmeyer, American Home Life, Topeka, has returned to the home office and again heads the renewal department after serving more than two years with the eighth air force in England as a radio operator.

H. T. Hibler of the home office agency of Western Reserve Life has received his discharge from the navy and returned to the Austin agency.

CHICAGO

EDELSTEIN SECURES QUARTERS

J. Milton Edelstein has secured offices at Suite 929, 33 North LaSalle street, Chicago, and will occupy them Dec. 1. His appointment as general agent for Connecticut Mutual was recently announced.

H. F. JOHNSON JOINS BOWSER

H. Franklin Johnson, who has been associated with Flitcraft, Inc., Oak Park, Ill., in a sales capacity for the past 12 years, has joined the Arda Bowser agency of National Life of Vermont in Chicago as manager of the brokerage department. He takes the place of John Papenhausen, who has gone with Bankers Life of Nebraska as general agent at Cedar Rapids, Ia.

Mr. Johnson recently returned to Flitcraft, the life insurance publishing organization, after extensive army duty. Prior to the war he traveled for that company throughout the country and developed a wide acquaintance. He made frequent talks before agency groups. He is well posted on company practices, settlement options and other technical matters and should be helpful in taking care of the needs of brokers.

MILLETT TO ADDRESS COUNCIL

The Chicago Life Insurance & Trust Council will hear a talk by Paul Millett,

attorney of the firm of Millett, Lewis & Ross, at a luncheon meeting Dec. 4 on the new U. S. tax bill. He also will discuss opportunities for life insurance sales and the need of various trust services resulting from present day conditions. Earl M. Schwemm, manager Great-West Life, is program chairman.

LAIKIN TO DISCUSS TAXES

George J. Laikin, Chicago attorney, will address the Group Supervisors division of the Chicago Association of Life Underwriters at a luncheon Nov. 26 on "Tax Aspects of Group Insurance." George Baldwin, agency group supervisor of Equitable Society, will preside.

MCCORMACK TO SPEAK

Commissioner McCormack of Tennessee, president National Association of Insurance Commissioners, will speak before the insurance group of the Union League Club of Chicago at a luncheon Nov. 30. Mr. McCormack will be in Chicago the day previous attending the annual meeting of the National Fraternal Congress. He will be accompanied by E. H. Washburn, senior insurance

examiner in the department. His subject will be "What Is Insurance Facing?"

OWENS BACK WITH RENO

Lt. Comdr. Llewellyn G. Owens, who has been in the navy since July, 1942, is returning to the Reno agency of Equitable Society in Chicago. He is on terminal leave and will go to the home office in New York for a "refresher course" given for returning war veterans.

Comdr. Owens was the executive officer on the U.S.S. Oliver Mitchell, a destroyer escort, and saw service at Saipan, Iwo Jima, Okinawa, Leyte, Mindoro Islands, and on V.J. Day his ship was a short distance off Tokyo.

HUNT HOST TO GENERAL AGENTS

George L. Hunt, agency vice-president New England Mutual Life, held a dinner in Chicago for general agents in the surrounding territory.

H. Cochran Fisher has been appointed chairman of the life insurance sub-committee of the insurance committee of the Washington Board of Trade.

Sales ARE BETTER

Pacific Mutual's new paid business for 1944 shows a 59% increase.

Sales are *better* for the Pacific Mutual underwriter, because:

He can sell complete coverage. He uses a def-initized, proved process of prospecting and merchandising. He is thoroughly trained—by General Agents or Supervisors who are themselves "trained as trainers." It's this combination of favorable factors that makes for selling success.



PACIFIC MUTUAL LIFE INSURANCE COMPANY

HOME OFFICE, LOS ANGELES, CALIFORNIA

"Help Fight Inflation
—Buy Life Insurance"



The COLUMBIAN NATIONAL LIFE Insurance Company

BOSTON, MASSACHUSETTS

SEVERAL GOOD GENERAL AND DISTRICT
AGENCIES AVAILABLE NOW

A NEW ENGLAND INSTITUTION

Air Travel, Foreign Travel Reviewed by Underwriters

Aviation and foreign residence present several problems to the companies, it was brought out in talks by R. Leslie Cizek, New York manager of Parker & Co., and A. D. McElheran of Great-West Life, at the meeting in Chicago of the Institute of Home Office Underwriters.

Inauguration of New York-London airplane passenger service is significant to the life insurance underwriter because it makes the advent of routine inter-continent air travel for commercial passengers, Mr. Cizek stated.

He said that personal accident insurance for many years has been a source of irritation to pilots, students the traveling public and brokers "who were sturdy enough to engage in this business." The rates were so high that nobody bought the insurance and because no one bought the coverage the underwriters obtained no experience and the rates stayed high. This situation continued until about 1937.

Liberalize Coverage

Then various markets began to get into the field or revised their coverage so as to make it more attractive from a price and insurance standpoint. The market has been considerably liberalized as to amounts particularly in the past year, he said. When Pan-American Airways opened its Atlantic service in 1939 and for some time thereafter the lowest accident insurance rate to cover the trip, available in the world, was \$15 per \$1,000, one way and \$20 round trip. Today the rate is \$1.50 per \$1,000 one way and the customer can buy \$300,000 worth in five minutes. There has also been a liberalization in the offerings to pilots by the three aircraft insurance

pools and the several independent casualty companies, he said, including Continental Casualty, Indemnity of North America and Preferred Accident. While aviation accident insurance is now adequately serving the interests of the industry and the public it still needs volume and spread to support the current rates, he said. However, the so called vicious circle has been broken by the underwriters themselves.

Credit to Group Writers

Full credit must be given to those large companies that made group insurance available to the air transportation companies in the early days of their operations, Mr. Cizek said. Group insurance, containing no exclusions, has to bear the burden of the catastrophe possibilities of the air risk, he said. While this was accomplished by an extra flight loading applicable to all flight crews, assured's net cost was automatically adjusted under the experience rating procedure. Given good experience, insured in effect made his own rates, and having observed the operation of several group contracts of air transportation companies over the last 15 years, it is interesting to note how these flight loadings have come down or practically disappeared, he observed.

The files over the past 15 years show case after case in which the same risk received five different types of treatment from the five different companies. The great variety of underwriting viewpoints was reflected in the basic coverage and also in connection with double indemnity and disability clauses. He said that the aviation questionnaire most life underwriters have called for in the past required such detailed recollection of routes and station stops that the prospective policyholder was either forced to give up in despair or generalize his answers so much, the questionnaire lost all value and significance.

Underwriting viewpoints and practices have been changing rapidly, how-

ever, Mr. Cizek said, and well they may because the country is facing a different era in aviation. The time has arrived, he believes, when air travel is so commonplace and used by so many policyholders it should be considered the same as automobile, rail or steamship travel and included in the general experience of the companies. Obviously, the companies cannot accept test pilots, crop dusters or commercial pilots even perhaps as standard risks, but most of those using the airlines and airplanes can be. He suggested that the amount of travel by air is increasing so rapidly that any further action towards simplification and standardization in connection with aviation risks and inclusion of the majority of the exposures in general experience will be a matter of good business for the life insurers.

During most of the development period of aviation, casualty and life companies have not been too sympathetic toward aviation exposure of policyholders, Mr. Cizek said. The restriction that required the policyholder to be a fare paying passenger caused a great deal of complaining and bitterness on the part of certain members of the public because passes were given by the air lines rather freely before the present limitations of the civil aeronautics board applied. Whenever the policyholder got free transportation he found that he had no insurance protection and was forced to buy a separate trip policy. Mr. Cizek said he could not recall in 15 years an airline executive being killed in an airline accident, though the theory on which the insurers operated was that free passes meant airline executives traveling, and airline executives were assumed to travel more frequently than the public. Another limitation was in not covering a policyholder on a flight of more than 300 continuous nautical miles over water. Now many of the regular accident insurers have announced so many enlargements of their aviation coverage, such as completely eliminating the over water exclusion and including private flying that Mr. Cizek wonders if there is any future for straight aviation accident insurance. He believes there will be.

McElheran's Address

A journey may be taken nowadays to any part of the world by air without any particular extra hazard, providing the person is traveling as a passenger on a properly licensed plane operating on a regular schedule over a regular air route, between established airports, Mr. McElheran, who is supervisor of applications of Great-West Life, commented. The travel hazard, Mr. McElheran believes, could be ignored, though anyone planning a journey of this nature and buying insurance just before starting should, he believes, be charged the single extra premium, of from \$2.50 to \$5 per \$1,000, particularly for a trans-Pacific flight. The limit should be within reason.

The principal hazard in connection with applicants contemplating residence in tropical or sub-tropical countries is the climate. Living conditions are different, sanitary arrangements may not be satisfactory, etc. There are in some countries political and social factors, particularly Central and South America where there is a lack of stability in the political situation. There may be antagonism toward those from other countries, he said. Occasionally there is a different moral standard, over-indulgence in use of liquor may develop. On the other hand, frequently those who go to foreign countries do so for business reasons and must pass suitable medical tests.

Mr. McElheran said that for his own company's guidance in dealing with applicants for this type of coverage, he has relied on experience of companies that have done business in different parts of the world and has made some study of their practice and experience.

He presented a schedule of rates charged by Great-West Life, applicable in normal times, and quoted on endowment at 85 or higher premium plans with disability and accident benefits not avail-

able. No distinction is made for age, he said, and commission is allowed on the extra premium. If an applicant planned a three or four months journey to a tropical section and then returned to the United States or Canada no extra premium will be charged. He said some companies charge \$2.50 or \$5 a thousand extra for one year for travel to Europe, but he said it is his company's opinion that this amounts to only a nuisance extra premium and the company is inclined to take such risks at the standard rates for suitable amounts. He suggested mortality experience on tropical and sub-tropical business may improve as a result of various armies introducing improved medical control. It has been said that the mortality in sub-tropical countries approximates to 150% of what it is in the United States and Canada and in tropical countries 200%.

In general the schedule used by Great-West shows a \$15 extra premium for tropical countries such as Nigeria, for India, China, and other parts of the Far East, \$7.50 for many of the South American countries except Argentina, Mexico City, Chile, south of 35 degrees etc. which are standard.

Satterfield Now Executive Director

(CONTINUED FROM PAGE 1)

He spent five months on that assignment during the great London blitz and returned just in time to vote for the declaration of war on Japan.

Mr. Shepherd is one of a famous family of actuaries, the three Shepherd brothers all having achieved important positions in that field. The eldest, Clinton, is actuary of Travelers and the other, Pearce, is second vice-president and associate actuary of Prudential.

Bruce Shepherd was born in Kalamazoo, in 1918, though only 18, he went into the army and had six months' service before the war. After graduation from University of Chicago in 1937, having engaged in life insurance work at the former Security Life & Trust home office during summer vacations, he worked at the former Illinois Life under O. J. Arnold, who is now president of Northwestern National Life. Two years later he went with the actuarial department of the old Missouri State Life. In 1927 he became assistant actuary of the New Jersey department and in 1929 was appointed actuary. While there he brought into the department A. N. Guertin who has since become famous, as the author of the Guertin laws.

In 1932 Mr. Shepherd became actuary of the association. In addition to serving as actuary Mr. Shepherd has been the association's acting manager since the death of Vincent P. Whittier. He is a fellow of both the Actuarial Society of America and American Institute of Actuaries, and has presented several papers at their meetings. He was a director of the American Institute and is on the joint committee of the two societies preparing the vast amount of statistical data necessary to the application of the new mortality tables. He is also a member of the all-industry committee which is studying the impact of the S.E.U.A. decision and public law 15 on the insurance business.

Beneficial Opens Chicago Office

Beneficial Standard Life has opened a brokers and agents' service office at 808 Insurance Exchange building, Chicago with Henry Oostven as manager. The office will service the company's life and A. & H. business, issuing policies and paying claims, in Illinois, Indiana, Missouri, Ohio and Michigan.

Huffard Trust Council Speaker

WASHINGTON — The Washington Life Insurance Trust Council, at its first meeting of the season, Dec. 4, will be addressed by Cloyd H. Huffard of Chase National Bank vice president, New York.



HIS FIRST MONTH'S CHECK WITH WESTERN WAS \$1,118.89

This was the reward of a new Western Life agent for his first months' work in July, 1945. His record:

Number paid applications—15
Volume paid—\$32,500
Commissions paid in cash—\$1,118.89

The commissions paid do not include deferred first year commissions, year-end bonuses for quality business, renewals, or Pension equity. Nor does it include any earnings on submitted volume not yet paid for.

Skilled underwriters with the Western Life receive top pay and find it easy to solve insurance problems with modern and flexible forms and riders.

To earn more you should know more about the Western Life.

If You Can Qualify -- this earning-opportunity is still available in some spots in California, Oregon, Washington, Montana, Idaho, Utah and Wyoming.

WESTERN LIFE INSURANCE COMPANY

HELENA

Since 1910

MONTANA

Assets \$21,387,766

Surplus to Policyholders \$2,650,000

R. B. RICHARDSON
President

LEE CANNON
Agency Vice President

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Hold Chicago NSLI Seminar

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meager war pay for the premium; they never saw the policy, and many of them learned that the government contract was not fixed but its provisions might be changed at any time by Congress either for better or worse. The life agents can explain that this latter feature probably will be a benefit and not a disadvantage as it is unlikely Congress will take away any benefits, but instead it will increase them.

He said there are bills in Congress at this time to liberalize N.S.L.I. and it is almost certain this will be done, especially in connection with removal of certain benefit restrictions to put them on a parity with private policies. Also it is likely that lump sum payments of proceeds will be authorized through broadening of the policy options, and that the government will add 20 and 30 year endowments and also an endowment at age 62.

Problem of Deferred Premiums

He said there is another problem of the veterans relating to their life insurance on which the life agents can greatly help. This is the fact that on some 87,000 policies involving a face amount of \$217 million out of the approximately 15 million policies that were in force, the veterans took advantage of the soldiers' and sailors' civil relief act and deferred their life insurance payments while they were in service. Now they are faced with the problem of getting this insurance out from under the act. Mr. Barnes explained the form required for withdrawal is No. 313 of Veterans' Administration. He said veterans should be urged to put their life insurance on a sound commercial basis where it belongs.

He said agents should know some of the benefits which accrue to the dependents of dead veterans, including the six months' gratuity, which represents a lump sum payment of the veteran's pay for six months; also any arrears in his pay go to the next of kin, then there is the death pension of \$50 a month to veterans' widows, and more if there are children with no strings tied to it and no "means" test. The widow can make or have any amount of money and yet continue to receive this pension.

Pensions May Be Secured

In addition there is a pension for veterans of world war I in case of disability and a possible pension for the next of kin, and in the case of world war II veterans a pension which may be procured in case of service connected disability.

Another thing it is important to know about this veterans' pension law is that for a non-service connected death if the widow makes \$1,000 a year which she does not receive from V.A., she is not eligible to the pension. V.A. is interested only in whether the widow had the money.

Mr. Bellis said service men later in the sale of N.S.L.I. were given the privilege of choosing any individual in the group of priority beneficiaries as the one to receive the proceeds in case of his death, or even to split the policy into as many as 10 parts of \$1,000 each pay-

able to various members of the priority group.

He explained that at the death of the named beneficiary any portion of the proceeds not yet paid automatically goes to the individual at the top of the priority list. A named beneficiary or other beneficiaries selected automatically may not waive the proceeds in favor of any other relatives. If the proceeds should not be used the widow, if living, may claim it otherwise it is paid to no one.

Options Were Granted

Originally there were no policy options but later it was permitted for contingent beneficiaries under age 30 to secure a guaranteed \$5.50 per \$1,000 per month for 20 years and over 30 for 10 years, and for other beneficiaries over age 30 a certain amount of income per \$1,000 per month depending upon the age.

Then Congress discovered that there were circumstances where the total face amount would not be paid out under such a plan so it was changed to provide the so called "refund life annuity" provision which, he said, merely guarantees that the face amount would be paid to beneficiaries or the veteran's estate. There never has been a lump sum settlement. If there is no beneficiary alive at the veteran's death then the reserve value will be paid to his estate in the permanent form of contract but not on the temporary term form.

Holcombe Surveys Issues of Hour

(CONTINUED FROM PAGE 2)

sales force and improved income per agent. He observed that many have fears that the structure will be flimsier than the foundation.

Then there is the question of the returning veteran as a prospect for insurance and as a prospective agent. There is the matter of inducing the veteran to retain his National Service Life Insurance and Mr. Holcombe pointed out that the fact that such a large percentage of the men in uniform were insured does not mean that they appreciate the value thereof. Necessarily, strong arm methods were used to cause the man in service to buy insurance.

Another factor to which the agency executive can give notice is the very close cooperation that exists today between the various life insurance institutions. For instance, each month there is a meeting of representatives of American Life Convention, Life Insurance Association of America, Life Office Management Association, Sales Research Bureau and Institute of Life Insurance.

Improved Public Attitude

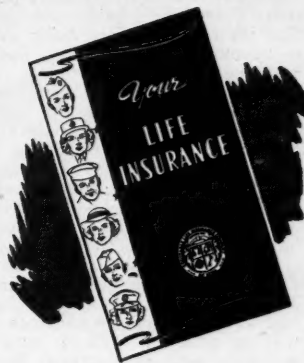
Then there is the fact that there is a greatly improved attitude on the part of the public towards life insurance.

Mr. Holcombe asserted that for too long the top life insurance management has been centralized on the banking function of the business and he contended that top management must recognize the distribution and sales function.

He expressed the hope that something can be devised to take the place of the agency practices agreement that will be effective and at the same time square with what is conceived to be the federal law.

He expressed the hope that eventually a definite system of progression may be set up in life insurance sales management so that a man in the field who aspires to management responsibilities may see a ladder on which he may climb in the field and in the home office.

For years it has been the custom of Mrs. Holcombe to sit through these meetings at Chicago in a chair well up front busily engaged in knitting while



"The new booklet, **YOUR LIFE INSURANCE**, is just what we who are now far from home want and need. Please send me 25 copies so that I can pass them on to others over here."

And so, in substance,

have read numerous letters from our men in the armed services, following their reading of the Company's 32 page booklet on National Service life insurance.

Information and advice, if sufficient and impartial, is always appreciated. That is why the life underwriter under arms, his buddies, and his loved ones at home, all regard *Your Life Insurance* so highly. It is concerned only with the serviceman's life insurance problems. It outlines clearly the unique benefits of National Service life insurance. It urges the serviceman, without exception, to retain and convert to a permanent plan his government policy, and it tells him exactly how to get that job done with a minimum of effort.

EQUITABLE LIFE OF IOWA

Founded 1867

Home Office

Des Moines

THIS THANKSGIVING SEASON

we give thanks for: a world at peace . . . America, the land of ideals . . . homes . . . churches . . . schools . . . and the individual right of "life, liberty, and the pursuit of happiness".

We are grateful that Beneficial Life Insurance contributes to this "Way of Life" and brings peace of mind and security to those it serves.

BENEFICIAL LIFE
INSURANCE COMPANY

GEORGE ALBERT SMITH, President SALT LAKE CITY, UTAH

WANTED

Life Insurance Co.

Experienced life insurance agency executive is ready to purchase controlling interest in medium-sized midwestern state life insurance company. Can assume full charge of sales. All replies confidential. Address D-93, The National Underwriter, 175 W. Jackson Blvd., Chicago 4, Illinois.

keeping her ear on the proceedings. This year by her side was her daughter 21 years old Ada Chase Holcombe, who exhibited the same animated attention to the proceedings and to her knitting as Mrs. Holcombe.

HOLGAR JOHNSON

At the same session Holgar Johnson, president of Institute of Life Insurance, gave an address. Among other things he issued a warning that if every company becomes too selective in its markets there is danger that the general mass market may be overlooked and that may cause serious consequences. The insurance industry might then be in the position of selecting against itself.

Mr. Johnson sketched the results of a survey that had been conducted among life insurance agents by the Roper organization. The typical agent is 35 to 40 years of age, has been in the business 10 years and has been with his present company 10 years. One lesson to be learned from that is that a great deal of young blood has to be brought into the field.

The agent holds his calling in high esteem and 75% of those interviewed said they would bring their own sons or daughters into it. He doesn't hold his fellow agents in high regard and he feels that the public doesn't like him.

Mr. Johnson declared that it must be impressed upon the agent that the fact that he hears "no" so frequently does not indicate a public dislike for him. Resistance is simply natural and does not indicate personal dislike. The public likes the agent more than he thinks they do, Mr. Johnson declared.

Optimistic About Future

The agents don't like the agents of other companies. Most of the agents are optimistic about the future. They are not concerned with the possibility of government competition or social security but those in states in which savings

bank life insurance is sold are somewhat concerned about that activity.

Only 4% thought that the public distrusts the business. Fifty-five percent of those questioned expressed the belief that the companies are doing something to promote public relations besides advertising.

The agent likes the fact that he is his own boss, he likes the opportunity for higher earnings, he recognizes that the occupational disease of the agent is laziness, it is hard to get started, the income is irregular. He wants more help in marketing and merchandising. The agents believe that selection should be improved and better training offered.

Another headliner in the final inning was Clancy D. Connell, president of the National Association of Life Underwriters, who delighted the audience with the way in which he mixed some serious messages with goodnatured banter.

Mr. Connell said he is concerned with two immediate problems. The first is that the agency practices agreement, as a pact signed by the companies, can now be said no longer to exist. Yet the long range thinking that preceded it and the reasons which brought about its adoption are as powerful and compelling today as they were 10 years ago. The agreement must in the future, he said, be something more than a memory. Many an agent today is overtaken with a fear when he suddenly is aware of the fact that this agreement as a signed document no longer exists. He expressed the hope that some adequate substitute for it may be found.

It is unthinkable to consider reverting to the situation that existed 10 years ago. A substitute for that agreement should be regarded as a first order of business.

Indiscriminate Recruiting.

Then there is the danger of mass and indiscriminate recruiting. Several agency executives have told him, he said, that they do not like to appoint unfit or unqualified men or part time agents in large centers, but they say that general

agents put on great pressure to make exceptions. On the other hand, agency heads tell Mr. Connell that their companies have under way highpowered recruiting plans or programs. They feel they are under great pressure to recruit—good men if they can—but to recruit. "Let's not allow this buck passing contest to go on," Mr. Connell implored.

From a long range standpoint the objective, he said, should be to adopt new and higher objectives and standards of performance so that there may be continuous improvement in the quality of the field forces. This calls for better methods of induction, better training programs, more adequate supervision and the attainment of higher standards of service to policyholders.

Mr. Connell said he gets much comfort from the great strides that have been made during the past decade.

Sees Little Change in Occupational Hazards

(CONTINUED FROM PAGE 3)

expectations of the general public as a replacement for natural rubber in quantity or quality, though there will be further experimentation, development and expansion in its uses. Only in the chemical preparation of the material are changes likely and much of even this presents nothing new because it is part of the oil refining or alcohol manufacturing process. The chemical phase of the industry employs relatively few workers.

Of synthetic textile fibers, he said, rayon has been here a long time, nylon made its appearance shortly before the war and others are on the way. However, hereafter the greatest number of workers will be employed in fabricating the finished textiles and making textile products, work identical with that employing natural textile fibers. Only a handful of workers, comparatively, will be involved in the chemical preparation of synthetic fibers. The same may be said of plastics. Chemical processing for water proofing, moth proofing and crease proofing textiles may introduce some chemical hazards.

Powder Metallurgy

The development of electronics, he suggested, would involve little need for new occupation ratings, and the same is true of preparation of lightweight metals and metal alloys. Powder metallurgy—the molding of products from powdered metal by means of pressure, is a new development and introduces the possibility of dust hazard in addition to a poison hazard with metals like cadmium, lead, etc. Atomic fission is still in the future as far as general public knowledge is concerned.

The shifting of workers from previous jobs Mr. Pitler said, particularly in the field of explosives, munitions, ship building, aircraft manufacture for the most part will be back to peace time occupations for which ratings already are established. Special war practice adopted for some groups, now that the war is over, he said, call for resumption of peace time ratings, including the merchant marine, fishermen, and individuals whose work involved travel to and residence in foreign countries.

One problem during the war was what to do with the extra premiums for civilian occupations charged men drafted into service. Some companies held that the extra premium should continue on these individuals, others that they should not. These extras are being reimposed on return of these individuals to their former jobs.

As to reinstatement of double indemnity and disability provisions terminated by war service, he suggested that where the provisions were "terminated" as distinguished from "suspended" evidence of insurability can usually be required for reinstatement. Occupation is part of that evidence of insurability. The tendency, he says is toward great liberality.

Over the years the trend in the business has been toward lower occupational

ratings, Mr. Pitler said. One reason is that more and more information on occupation mortality is becoming available. Insurance experience is probably the best guide for occupational ratings, but it is not yet available for most of the occupations appearing in company rating schedules. For these the business is forced to depend on other sources of information, and in some instances actual statistical experience and in others more or less general information of industrial processes, substances handled, conditions of work, exposure hazards such as dust, heat, toxic substances, and so on. The rating is then largely a matter of judgment, he said, with a tendency to be conservative.

Accident Prevention

A second reason for the trend toward lower ratings lies in the work being done in accident prevention and industrial hygiene. Working conditions are steadily improving. He cited the case of railroad workers, particularly trainmen, for whose ratings the accident experience of the interstate commerce commission has served as a valuable guide for many years.

A third reason is the improvement in economic status of the working man, the manual worker to whom the ratings apply for the most part. He said he believed these three reasons would continue to operate in the future and that they justify an optimistic attitude on future mortality of substandard occupational groups. Perhaps they also justify a more liberal attitude in revising current practices or establishing ratings for new industries more liberal than existed in the past.

Illinois Seeks Top Membership

(CONTINUED FROM PAGE 3)

ommends that the instructor come from the field and it will approve reasonable expenses based on prevailing fees paid in the community. Instructors outside the community can be brought in but their expenses must be included as part of their fees. Mr. Burch recommended that courses be held in offices rather than school buildings so as to get an informal atmosphere and that groups be held down to 12 to 15 so as to get away from the lecture type of classes. The percentage of reimbursement may vary later as the state appropriation is for two years and it may be reduced to 50% if the funds get low. Local school authorities are cooperative in establishing classes, Mr. Burch reported. The Rockford Association of Life Underwriters has held a course under the program. As local schools do not know what training courses are available it is desirable for the sponsoring group to secure the information and decide what its members want, he said.

A number of Illinois local associations are planning to take advantage of the program as there has been considerable interest in training courses sponsored by associations in the past.

Two Main Needs

The N.A.L.U. has two main needs, membership and leadership, and Illinois has a quantity of each. Mr. Connell declared at the banquet. Harry W. Bruegger, Aetna Life, Oshkosh, brought greetings from the Wisconsin association of which he is president. President Thomas A. Lauer, Northwestern Mutual, Joliet, proved an able presiding officer.

President Connell directed the local association conference assisted by Mr. Hobbs, Mr. Lauer, John D. Moynahan, Metropolitan Life, Broadwyn, N.A.L.U. trustee, and Lynn S. Bradus, Guardian Life, Chicago, chairman of the N.A.L.U. state and regional association committee. Two black-board charts listed the local associations, their delegates, activities and dues. It was the first time this plan was used and it proved effective. Emphasis was placed on the fact that the associations charging adequate dues are

"THE DOLLAR VALUE"

This Thanksgiving Season we are indeed thankful for a Nation of people rich in character and health, in native ability and industry, willing to invest their all in education and training and then, with typical Yankee courage and ingenuity, create for themselves a future guaranteed by life insurance; thankful that one of the greatest values in our Democracy is the dollar value on human life, for that people can be depended upon to work out their destiny in a debt ridden world.

Life Insurance, the dollar value of human life, exists to organize, protect and safeguard life for self and dependents.

If you are interested in the profession of the Life Underwriter, you will find it pays to be friendly with



PEOPLES LIFE INSURANCE COMPANY

"The Friendly Company"

FRANKFORT

INDIANA

able to conduct more activities and hence attract more members. Mr. Hobbs declared that too many local associations attempt to operate on too small dues and after they pay \$4 for state and national dues there is little left to sponsor local programs. Associations now charging \$6 can double their local funds by increasing their dues only \$2. An association budget is especially important when funds are limited, it was brought out.

Actuary-Attorney Question

Objectives of the new N.A.L.U. functions and activities committee were reviewed by Mr. Moynahan, a member of the committee. In the discussion on the suggestion that an attorney and actuary be employed, it was emphasized that the attorney would aid in state legislation. It was felt by some that although an independent actuary's aid would be valuable, a consulting actuary can be employed as needed.

Agency Practices Viewed

Mr. Connell was optimistic over the agency practices situation in view of attitudes expressed at the Life Insurance Agency Management Association meeting in Chicago. He feels the part-timer question is not as important as the qualifications of new agents. Jul B. Baumann, Pacific Mutual, Houston, chairman of the agency practices committee, has prepared a comprehensive report on the situation, Mr. Connell stated. This was submitted to the Life Insurance Agency Management Association. Action is needed to avert the threat of indiscriminate recruiting during the coming months, Mr. Connell emphasized. It is imperative to "cut out the buck passing between home office, managers and general agents," he asserted. Lester O. Schriver, Peoria general agent Aetna Life and N.A.L.U. past president, emphasized that the attitude of the field is going to be the deciding factor. Mr. Connell feels that it is necessary for the companies not only to adopt a sound program but to announce it as well so as to bring others in line.

Quality Award Successful

Mr. Moynahan told of the success of the quality award despite the fact that it was accompanied by little promotion. It provides a new argument for association membership. Several questions have been ironed out on weekly premium business. Because of variation in records, persistency determination will be left up to the company. Volume, however, has been standardized. He predicted 5,000 awards next year.

The N. A. L. U. educational committee expects to make an important announcement before the Omaha meeting. Representatives of the cooperating company organizations will meet soon to determine a definite program, Mr. Connell reported. The N. A. L. U. training plan is designed to meet the gap between the company training courses and the C. L. U. program.

Copies of several suggested talks for public meetings and the radio were distributed by Mr. Broaddus. He urged the distribution of available booklets to high schools and women's organizations.

Must Determine Duties

In solving the agents' compensation problem, Mr. Schriver said it was necessary to first determine what an agent is and for what he should be compensated. He commended the N. A. L. U. report of Alfred C. Duckett, Northwestern Mutual, Los Angeles, as a step in this direction.

Life agents owe a certain responsibility to returned service men to see that they get all they have coming under

National Service Life, Mr. Moynahan asserted. Robert R. Reno, Jr., Equitable Society, Chicago, reporting as state chairman, urged local associations to hold seminars and to get their veterans programs underway immediately as 700,000 Illinois G.I.s will be returning in the next few months.

NEWS BRIEFS

Harry G. Walter, Peoria general agent Penn Mutual, as sales congress general chairman, was commended for his well organized program. There wasn't a weak spot.

Lester O. Schriver, Peoria general agent Aetna Life and N.A.L.U. past president is always on the job at Peoria gatherings to render assistance when needed. He pinch hit for **Clifford R. Garrett**, Peoria general agent Northwestern Mutual Life, as chairman of the general agents and managers session. Mr. Garrett was confined to the hospital but secured a temporary release to attend the sales congress and to be host at his annual luncheon for Northwestern Mutual men. Mr. Schriver also held a luncheon for Aetna men with **Philip B. Hobbs**, N.A.L.U. vice-president, and **R. R. Reno, Jr.**, state veterans affairs chairman, among the guests.

Paul Otto, Connecticut Mutual general agent and past president of the Iowa association, and **W. S. Sanford**, Prudential manager, were present from Davenport.

Margaret Becker, executive secretary of the Illinois and Peoria associations, kept things going without a hitch. With three separate programs on Friday afternoon she had her hands full.

James Ross of the Illinois insurance department and formerly with Mutual Benefit Life in Peoria, was on hand.

S. B. Merchant and **Paul Nelson** of the home office held a session for 16 Mutual Trust Life producers. Emphasis was placed on service for returning veterans.

George Huth, Provident Mutual, Chicago, and **Rupert Mills**, Peoria, were commended for their war bond sales records.

James R. Love, Peoria, Ill., general agent New England Mutual Life covering central Illinois, reports his agency will have its best year in history. To date its 1945 gain over 1944 is in excess of 40%.

Cutter & Jeffrey in Life Field

Appointment of the firm of Cutter & Jeffrey, 41 East 42nd street, New York, as associate general agents to the John A. Campbell General Agency, is announced by Manhattan. Cutter & Jeffrey was founded in the early 1880's by George L. Cutter.

Since its founding, the firm has represented London & Lancashire for fire insurance.

The firm has specialized in management for banks and trust companies, with real estate and mortgage interests widely represented.

G. Pratt Cutter, son of the founder, went with the concern in 1903, and when Safeguard, a subsidiary of London & Lancashire, was organized in 1915, he was appointed New York manager.

Coincident with the founding in 1915 of London & Lancashire Indemnity, George L. Cutter was appointed general agent for New York.

Townsend Cutter, of the third generation of the family, served as vice-president of George L. Cutter, Inc. He died in service in 1943.

In 1943, William C. Jeffrey joined the firm as a vice-president. He has been in the general insurance field for 20 years.

Toledo Cashiers Meet

The Toledo Life Agency Cashiers Association heard Mrs. Gertrude Prue of the Lasalle & Coch adjustment department describe her work. Members who attended the Detroit national meeting gave brief reports.

Charles A. Durand, 85, retired attorney and one-time deputy Michigan commissioner, died at Flint, Mich. He served in the insurance department in 1915 under Commissioner Winship and the following two years was manager of the Michigan state accident fund.

Now More Than One Billion Dollars Life Insurance in Force

Bankers Life takes real pleasure in celebrating this climax to 66 years of strong, steady growth. We salute the Bankerslifemen in the field who have made it possible.

From a modest beginning in 1879, Bankers Life has spread across the length and breadth of America. Today over 300,000 policyholders own more than one billion dollars in life insurance, representing protection in many varied forms.

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Clarence J. Daly, President
W. V. Woolen, Agency Vice President
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LEGAL RESERVE FRATERNALS

Neel of Pennsylvania Criticises Exemption of Fraternalists

Some weaknesses in state supervision of insurance and conduct of societies were brought out by Commissioner Neel of the Pennsylvania Fraternal Congress in Pittsburgh. His subject was "Reconversion Problems of Our Fraternalists."

He prefaced his criticism with the assertion it was well today to be "starkly realistic" and to "call a spade a spade." He said fraternalists had earned freedom from supervision, taxation, etc., originally because they had active lodge systems and did much charitable work, but "in many practical aspects your socie-

ties have changed vastly since the turn of the last century," to the point where they came to write insurance as nearly like that done by stock and mutual life and accident and health companies as the laws would permit.

"No one knows better than fraternalists themselves," he said, "how throughout all these years they have fought against supervision by insurance commissioners on any fair basis of comparison with the supervision which the commissioners exercised over old-line insurance companies." He said this exemption from supervision was justified originally because the management of lodges and societies was actually in the hands of an active membership.

Commissioner Neel expressed fear the old lodge system is weakening. Members used to visit sick members. Relief committees were active. He does not be-

lieve such is fully the case today. State supervisors are urging fraternalists to look to their A. & H. reserves, he said, and they also would like to have the societies placed under the same kind of supervision as are private companies.

The state licensing, he said, is a strong factor in keeping good ethics and fair practices in force in operation of private carriers. Fraternalists originally avoided the licensing of agents because the insurance was placed largely by members. The insurance used to be secondary to the securing of lodge activities; now, he said, there are societies which recruit members by the sale of insurance. There are societies which conduct a lodge system in name only. Mr. Neel does not consider this a healthy situation. There should be licensing of fraternalists' salesmen.

Takes up Reserves Matter

On the question of adequate A. & H. reserves, the commissioner said, eternal vigilance is needed. The department and societies' officials never can be sure that invested funds will continue to earn the same rate as in the past. Four percent used to be conservative; now it is difficult to earn even 3%. Many private companies are reserving as low as 2 1/4%. Many fraternalists still are anticipating 4% in computing reserves. So high an assumption, he said, certainly is not a reasonable possibility of the present or near future. Many life companies voluntarily have strengthened their reserves by adding to the legal requirements.

"I feel that many societies must make a careful study and review of the matter of reserves of the health and accident side of the business," he concluded. "If you want to continue this health and accident benefit, you should charge adequate premiums and build up adequate reserves."

Calls for New Report

Commissioner Neel explained he has prepared a supplement to the department's valuation report by which he hopes to be in better position to suggest to and advise societies on the handling of their mortality and disability funds.

The lodge system is an import part of the fraternal benefit system, S. H. Hadley, president of Protected Home Circle, Sharon, Pa., declared in his report as chairman of the committee on lodge activities. There are some people who will throughout their lives enjoy lodge work; others who attend lodge meetings and enjoy the work for a certain period; still others who quit attending within six months. Almost all children enjoy lodge meetings and ritualistic work, he said. They learn easily and like to appear before other children and their parents. As they come to high school age they still enjoy this but most boys and girls of teen age have other activities which absorb their time.

He urged not doing away with the adult lodge meetings under any circumstances, but said local adult lodges should spend more of their money on juvenile lodges than on adult in order to attract younger people. Parents will attend since they enjoy seeing their children conducting ritualistic work; they like the dinners and the social hour, or to hear addresses.

Maccabees Refunds Extra Charge Made During War

Maccabees will refund on request by members the extra premium rates which they paid while in military or naval service in the war for income disability, waiver of premium disability and payor benefit protection. War service did not cancel the riders providing these supplementary coverages but merely suspended them.

The coverage automatically was resumed Sept. 2, 1945, which the Maccabees head office considers to be the end of the war. Any refunds due are made for the period beginning with the date of induction into the armed service, or

Dec. 1, 1941, whichever is later, and ending Sept. 2, 1945, or the date of discharge, if that is an earlier date.

Birk Elected to Head Wisconsin Fraternalists

WAUSAU, WIS.—The Wisconsin Fraternal Life Underwriters Association of the Aid Association for Lutherans held its annual meeting in Wausau. W. C. Birk of this city was elected president to succeed A. H. Blankenberg, Appleton. Fred Bammel, West Bend, was elected vice-president, and Fred Schmidt, Sheboygan, was named secretary-treasurer.

Society Qualifies in Georgia

Coastal States Life, a legal reserve fraternal chartered in Georgia in 1909, has qualified to write industrial insurance in the state, and is writing business in several counties, with a view to including the whole state soon. C. H. Poindexter is president. The society has made the required statutory deposit of \$100,000 registered bonds.

SALES MEETS

Great-West Life Holds Session for Managers

Great-West Life next week at Winnipeg is holding the last of four regional meetings for managers. The first gathering of three days, which included all the agency heads in the United States, was at the Edgewater Beach Hotel, Chicago. Then early this week there was a session at Toronto and the latter part of the week, the third is under way at Montreal.

Those at the Chicago meeting, as their initial activity, attended the final session of the Life Insurance Agency Management Association convention at the Edgewater Beach. The head office contingent consisted of H. W. Manning, general manager; E. J. Dunbee, superintendent of agents; R. C. Searle, assistant superintendent of agencies; W. A. Johnson, educational supervisor, and George Powell, supervisor of field service.

Chipman Has Sales Conference

The H. A. Chipman agency of Equitable Society held its fall sales conference and Thanksgiving party in Columbus. Alvin B. Dalager, vice-president, and Fred G. Holderman, manager at Peoria, Ill., spoke.

RECORDS

Northwestern Mutual Life—October paid business was \$24,350,584, a gain of 22%, and the 10-month total \$264,518,307, an increase of 21.6%. Leading general agencies for the month in production were Victor M. Stamm, Milwaukee; C. L. McMillen, New York City; Jamison & Phelps, Chicago; Marue Carroll, Oshkosh, Wis., and C. R. Eckert, Detroit.

Jefferson National Life—President's month (October) production was \$1,004,000. This was in compliment to E. Kirk McKinney. C. A. Harris, Indianapolis, was the leading producer.

General American Life—Life volume of more than \$6,690,000 submitted during October, which was president's month, established a new record for that month. It exceeded by 51% the production for the corresponding campaign in 1944.

The total campaign equivalent volume for life, group and A.&H. was \$8,422,587.

Goebels Denver President

New president of the Denver C.L.U. is William R. Goebels.

John L. Scripps, Mutual Life, is vice-president and Searcy Graham is secretary-treasurer.

The chapter in conjunction with the Denver Life Underwriters Association sponsored a luncheon meeting at which Clifford H. Orr, national president of C.L.U., was guest speaker.

Let me tell you the True "SAGA OF A SQUARESHOOTER"

THIS is not a saga in the strictest sense of the word. But a resume of the headline news of the period in which Harry (which is not his real name) started selling for Fidelity does sound like ancient history.

Jess Willard had just won the heavyweight title. The Vernon Castles were setting the fashions in dancing and "Birth of a Nation" was box office at the Movies.

This gives you an idea of the quantity of water which has splashed over the dam since Harry began selling for us some thirty years ago. But Harry, like Fidelity Life Association, has grown with the times. Let's look at his record.

Under his care are 1,322 policyowners or 12.6% of the population of the city in which he operates. Most of this business was his own personal production and what a bright future ahead, for 46% of the policyowners are juveniles!

Truly, Harry has carved a monument to himself, Fidelity, and Life



by Walter C. Below, President
FIDELITY LIFE ASSOCIATION
Fulton, Illinois

insurance through his own hard work, integrity, and enthusiasm, coupled with a sincere desire to serve his community.

Young people especially look to him for leadership and guidance. And, time after time, Harry has engineered some of the smartest public relation plans ever dreamed of. Through the years, Harry has maintained his production leadership (he is always among the top ten of Fidelity's producers) and has made himself a big man in a big state.

Whatever he has done, Harry has proved himself to be a squareshooter and Fidelity is endeavoring to give him the same type of treatment. Harry has demonstrated how a man can grow with Fidelity. This saga of a squareshooter may give you an inkling of what you can do with Fidelity under similar circumstances.



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Sales Ideas and Suggestions

Illinois Producers Tell How They Get Business

PEORIA, ILL.—The approach to a prospect is one of the most important parts in the technique of a life insurance sale, Keith S. Smith, John Hancock Mutual, Kankakee, declared in opening the annual sales congress of the Life Underwriters Association of Peoria. Mr. Smith's record since he returned from service in February, 1944, has attracted wide attention as he has written over \$1 million on 561 lives.

"Anything that you can do to get the prospect to like you and to feel that you are on his level and not some high pressure artist that has come out to make a quick sale, encourages the prospect to be more friendly, prone to answer your questions and to make possible a better interview," Mr. Smith observed.

Mr. Smith takes the attitude that the prospect benefits from the sale of life insurance as much as the agent. Life insurance does the job he wants done by providing for his family if he doesn't live to do so and to provide the necessities of life for himself when he reaches old age and his earning capacity has slackened or is at an end.

Mr. Smith's sales average around \$2,500 but he is able to run up a large volume by thorough referred prospecting. He specializes on farmers and he sells policies to all the immediate family and then calls on all the relatives. On one such family and relatives he wrote 17 applications for \$50,700.

Turns Situations Into Sales

When one farmer told him how he had worked so hard to get his farm nearly paid for, Mr. Smith sold him a mortgage redemption plan so that his wife wouldn't lose the farm. Another said he had a difficult time getting the initial down-payment on his farm so Mr. Smith pointed out the desirability of averting that trouble for his children by buying life insurance for them. Mr. Smith is adept at turning such situations into sales as in another case he sold an uninsurable man on the idea of buying insurance for his son while the latter was still insurable.

Use of the social security approach was emphasized by John Hill, Metropolitan Life, West Frankfort, Ill. He defined prospecting as everything which can be done to make it easier for the agent to talk to the public about life insurance. Selling is simply telling the life insurance story and social security is one of the things which makes selling life insurance easy. To open the prospect's door it is necessary to talk about something which is interesting to him and social security is that something. Social security also paves the way for a life insurance sale as it has made the prospect income conscious. Mr. Hill follows the plan of getting the information and then calling back with a completed chart and the need for supplementing the benefits with life insurance. Information is sent to the home office and the chart is prepared there.

Don't Understand Need

The only reason more people don't buy more life insurance is because they don't understand what life insurance can and will do for them, William Maibach, Connecticut Mutual, Peoria, pointed out. The approach is all important, he stressed so he arms himself with the thought that the prospect will find a way to pay for anything he really wants. "Of course," he added, "we know that everyone has all the life insurance he cares to pay for, but none of us have enough life insurance to provide ade-

quate income for our dependents if we die; not enough income for us to retire on when we grow weary of work and worry."

The approach must create interest and then a desire great enough to warrant an interview. If the approach has been right the closing will be comparatively easy, Mr. Maibach emphasized. "I am convinced I am doing a real favor to those I contact, that they are the losers if they don't buy, and then I proceed to prove it by telling about a few cases." For instance, he explains the advantage of buying juvenile insurance by parents, partnership insurance for parent and child, extra protection for newly-weds, retirement plans contracted for early in life or last expenses for the aged.

Mr. Maibach said that prospecting is a technical word for "working." The agent has to expose himself instead of sitting in his office planning what he is going to do with his renewals. The approach is most important because "if you don't sell yourself you won't get the interview." If an agent is able to make the prospect want insurance the latter will find the money to pay for it. Juvenile is easy to sell because every parent thinks his child is exceptional. By finding out what the parent

feels is exceptional about his child and pointing it out, Mr. Maibach finds that his prospect feels his judgment is good and that confidence extends to recommendations regarding insurance. In selling clean-up funds, Mr. Maibach points out that the prospect can borrow, owe or take the funds from his savings while life insurance provides the necessary money.

Ray Tingley, New York Life, Alton, Ill., classifies his prospects by the amount of insurance they can afford to buy, \$1,000 to \$5,000 to \$10,000 and over \$10,000. He ascertains something about the person before he calls and interests himself in the family's welfare. It is important to study developments and to adapt one's personality to existing conditions, he emphasized.

Prestige is like the trolley pole which conducts electricity into the street car and makes it run, Lorraine Sinton, Mutual Benefit Life, Chicago, pointed out. Agents should have a sincere desire to help prospects, render service and let prospect know about it. The new agent should study not what the million dollar producer does now but what he did to reach the top, she asserted. For example, Louis Behr, Equitable Society, Chicago, got his start by making himself call on 10 prospects a day for six days a week during his first three months. Big producers did not wait for "the" idea but went ahead with the best idea available.

In building prestige through organizational work, Miss Sinton emphasized that

the size of the job is not so important as doing it well. She urged that managers make a point of informing an agent's clientele through announcements of the latter's achievements. Prestige building should be deliberate and money should be allotted in the agent's budget for funds to send out regular mailings, etc. She suggested that public speaking after taking a course as an effective method of prestige building. It also is important to make a point of writing notes to friends commending them on their achievements. Miss Sinton recommended that each agent set up a prestige building activity chart and to constantly expand his efforts in that direction.

Alfred L. Dern, Lincoln National Life agency vice-president; Clancy D. Connell, Provident Mutual, New York, N. A. L. U. president, and Stickland Gillilan, humorist, wound up the program. Harry G. Walter, Penn Mutual general agent, and Edgar R. Small, general agent Lincoln National Life and Peoria president, presided.

Revise Basis for Handling Monthly Production Data

The collection of monthly life insurance production statistics and their dissemination commencing in January, will be handled exclusively by Life Insurance Agency Management Association. The announcement was made by J. M. Holcombe, Jr., managing director of L.I.A.M.A. in addressing the annual meeting at Chicago.

Presently there is a duplication in this field. Life Insurance Association of America collects the data from its companies and gets up the monthly production figures divided as between ordinary, industrial and group. At the same time the Research Bureau collects the sales figures in the ordinary department but the figures for ordinary of the two organizations do not correspond because L.I.A. receives reports from a fewer number of companies.

Figures More Complete

L.I.A.M.A. hereafter will collect figures on industrial and group as well as ordinary and its statistics will be more complete than were those of L.I.A. Also L.I.A.M.A. will continue to give a breakdown of the production by states and also for certain of the large cities.

So that the comparisons with previous years may be significant, L.I.A.M.A. will proceed to get the facts together for past years in a way that will correspond with the basis on which the new figures will be published.

Nolley Servicemen Return

In view of the fact that records show that only one out of six returning veterans go back to the line of work in which they were engaged before they entered the service, the W. Tolar Nolley agency of Northwestern Mutual Life at Richmond, Va., is naturally proud that all of the four agents it lost to the service have either returned or are returning to life work with that agency. Maj. Irving I. Held is already back with the agency in Richmond. Lt. C. Ridgely White, USNR, is back at Winchester, where he represented the agency as a district agent before the war. Capt. Joe Carpenter, formerly an agent at Newport News, is expected to be back on the job there soon. Col. Lewis Held, now on the staff of Gen. MacArthur in the far east, hopes to be out of the service by Christmas and will resume his connection with the Nolley agency when he returns.

Ten Essentials in Sales Success

Ten essentials in sales success were outlined by A. L. Dern, vice-president Lincoln National Life, before the annual sales congress of the Peoria Association of Life Underwriters. The first essential is ability in prospecting, Mr. Dern pointed out. It is the very life blood of sales, it is one of the four objectives of every interview. Each interview leaves an agent with one less prospect so he should strive to bring back one or two good names from each interview even if a sale is not made. In this way prospecting can be made a process that is carried on simultaneously with selling and the agent never lacks someone to call upon. Mr. Dern suggests that the agent tell the prospect who doesn't buy that although he may have reasons for not applying for insurance, "I do believe you feel that the suggestions and recommendations I have made have merit in the right circumstances. If you were going into the life insurance business tomorrow, tell me, please, who is the first man you would call on? Why?"

Eye for Situations

Mr. Dern urged agents to develop a keen eye for life insurance situations. There is plenty of raw material for prospecting and once the agent makes it a habit to prospect daily it never becomes burdensome.

The second fundamental cited by Mr. Dern is to solve the prospect's problem through life insurance on a consultation basis. The agent should not make a call until he is sure he can get on a footing so the prospect will discuss his problems frankly. Effort should be made to uncover probabilities and possibilities that will create a need for money which in turn raises a problem which life insurance will solve.

It is essential that the agent learn how to approach his prospects interestingly. He must show the prospect how life insurance will solve his problems better than any other method. For example, the prospect can be asked: "If

the bank that holds the mortgage on your farm were to tell you that it will increase the interest rate $\frac{1}{2}\%$ in return for which it will cancel the mortgage note at your death, you would be interested, wouldn't you? The bank cannot do that but life insurance can."

Provides Money for Future

Life insurance is nothing more than providing money for future delivery, the date being certain in case of matured endowments and uncertain as when death occurs. The big thing to bear in mind, however, is that the occasion that brings about the need for money also provides the money. It is in this respect that life insurance solves many of the prospect's money problems better than any other method.

Agents should cultivate and study their prospects and their needs so that they will become clients. The successful agent also must diversify his clients. If he works in rural areas he will find it advisable to seek business not only from farmers but also from business men who are least affected by crop prices or failures. A cross section of clients in his community should be the good of every agent.

Keep Abreast of Changes

Agents must keep abreast of changes that are taking place in tax and inheritance laws and policy forms. When sales are not coming as readily as the agent might like it will pay him to review both new and sales suggestions and put them to work. It is important that the agent have a positive attitude towards trying new and old ideas.

It is essential for an agent to give strict attention to all details of his personal affairs so that he has his own house in order before he suggests and recommends life insurance to his clients.

Systematic effort is essential to success, Mr. Dern declared. Agents must realize that they have been in an easy life insurance market in recent years and it now behooves them to prepare for changes by careful planning.

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 THE BOURSE PHILADELPHIA

Study Post-War Problems at Parley

(CONTINUED FROM PAGE 4)

be a rise in interest rates, and mortality savings will continue to increase in importance as a factor in future premium rates and dividends, he said. The underwriter must watch closely several factors which may influence post-war mortality, results of military service on those who normally would be the best insurance risks; the possibility, however remote, of an epidemic due to conditions in many parts of the world; an increase in the accidental death rate which is already apparent, and increasing exposure to the hazard of living in foreign countries, including those who travel for business or pleasure as well as members of the military forces.

How to Obtain Results

When a company decides the volume and type of business that it wants to write, the underwriting executive must decide how the results can be obtained, Mr. Sexton said. Things for the underwriter's consideration include amount of expansion contemplated, where the business is to be written—domestic or foreign, urban or rural areas; emphasis to be given special forms such as term, family income, juvenile and so on; extent to which non-medical, salary allotment, or pension trust plans are to be written; attitude toward substandard business, and whether the selling emphasis is to be on moderate size policies or on the writing of larger amounts through a more concentrated sales effort.

The underwriter must be interested in who will produce the business. Proper selection of risks begins in the field, he said. Resumption of contacts with agents should be one of the underwriter's first objectives, he declared.

Of the future sources of business the new agent who in many cases is a discharged veteran is perhaps the most important, he added. The future of the business and of the American agency system will, to a considerable degree, depend on the qualified, conscientious selling of adequate insurance service by these men and women. As a vital part of their training these agents should be shown the part they play in selection of risks and be made familiar with the company's plans as to quantity and quality of new business desired.

24 New Members

Following the talks of William H. Lockey, Life of Virginia, and Dr. James H. Ready, General American Life, which are treated elsewhere, Walter B. Lehmkuhl, assistant secretary of Guarantee Mutual Life, reported that 24 new companies joined the institute during the past year, bringing the total to 144. William H. Blaney, Southland Life, reported for the reading and reference committee; W. E. Price, Bankers Life of Nebraska, on underwriting forms, and Louis Fauser, actuary United of Chicago, on underwriting changes.

At the clinic on ordinary life cases Monday afternoon, which was in charge of Walter K. Fritz, Capitol Life of Denver, juvenile was one of the subjects of widest interest to underwriters. The business represents something of a problem because families are now on the move, and there is so much divorce and separation. The underwriter with complete information, however, has little to worry about. If the environment of the child is satisfactory and the insurance is on the father's life, most companies will underwrite the risk.

Interest in Aviation

The one aviation case aroused a lot of comment. The consensus of opinion was that companies should get away from aviation exclusion riders as soon as possible and provide full coverage on pilots and other types of aviation risks.

The unemployed returned service man is a question mark because in many instances he is taking a vacation and the

underwriter cannot determine what his occupation and therefore his occupation rating will be. Companies are taking these risks but there is some hesitation in granting double indemnity and disability benefits until the type of employment is determined.

Restoration of policy benefits, particularly income disability, came in for a good deal of talk at the clinic. If there is to be restoration of benefits "terminated" because of entry into service, then there should be evidence of insurability.

A. N. Guertin presented an able study of problems under the standard non-forfeiture and valuation laws, following a talk by R. Leslie Cizek, New York manager of Parker & Co. D. S. Walker, United Benefit Life manager at Philadelphia, presented a lively discussion of the agency viewpoint of underwriting.

Industrial Session

The industrial round table, at which E. W. Steffy, Kentucky Central Life & Accident, was chairman, presented several speakers, N. Terrell Weaver, Bankers' Health & Life; W. E. Stovall, Gulf Life; W. B. McIntosh, Interstate Life & Accident, and J. B. Corbett, Colonial Life. Their subject matter is published elsewhere in this issue.

At the final session Wednesday R. B. Caplinger, Reserve Loan Life, was in the chair. John B. Ulrey of American United Life discussed future underwriting of military risks; A. H. McAulay, assistant actuary of National Life, and A. D. McElheran, Great-West Life, foreign residence and travel; D. I. Parker, actuary of Security Mutual Life of Nebraska, current developments in the use of war and aviation clauses, and K. H. Easley, actuary of Amicable Life, "Some Broad Aspects of Underwriting." Mr. Parker's paper was read by M. A. Hyde of the same company.

Ray Button of Alliance Life did his usual splendid job of handling registration and providing the press with news and papers from the meeting.

E. O. Severin, American Hospital & Life, headed the resolutions and Walter Lehmkuhl the nominating committee.

M. Terrell Weaver of Bankers Health & Life attended the convention although he has only been back on the job a short while after a 13-week bout with undulant fever.

Continental's 1-2-0, 2-5-0 Clubs Meet

(CONTINUED FROM PAGE 4)

Stating that "the man makes the trend in group business," Mr. Glasser pointed to the great volume of group insurance as refuting the argument that social se-

curity cuts down the group field. He predicted that group business will accelerate, and that there will be programming in the group field. Mr. Johnson stated that hour for hour, group is more profitable than ordinary insurance, and fosters ordinary life.

Paul Rinker, assistant vice-president, discussed insuring installment purchases and personal loans. Peter Hondorp, associate actuary, discussing group permanent plans, emphasized the development of employee equities and conversion privileges.

Tax Problems Analyzed

The second day was opened by Charles T. Cravens, who analyzed tax problems arising in insurance transactions. Immediately following five agents presented their favorite ideas and methods. A. A. Brandt, Minneapolis, advised establishment of an efficient catalog system to record every client with his coverage and needs. A. B. Carroll, Milwaukee, stressed alertness in dealing with small, individual buyers. Joseph Harris, Los Angeles, described writing insurance on partnerships, corporations, and other business organizations. W. S. Sawyer, Washington, D. C., advocated advertising, distribution of blotters, movie passes, etc., to clients to keep the agent's name fresh in customers' minds. T. S. Stansell, Port Arthur, Tex., described juvenile insurance, pointing out that it led to coverage for parents.

Speaking on "Cooperation Did It," Samuel D. Rosan, New York, advocated team-work among insurance agents, particularly where specialized knowledge is needed. "A split commission is better for agents, clients, and the business at large than not placing insurance at all," he said. "Be a go-giver, and not a go-getter," is his suggested slogan.

Talking on "My first year with Continental," W. Clare Crandall, Oak Park, Ill., told how he built up 500 "insurance families," with a regular program of three calls a day. Joseph K. Dennie, assistant vice-president, advocated cultivating a professional basis for insurance. Howard C. Reeder, vice-president and actuary, announced impending changes in interest and dividends. He advocated urging veterans to keep their N.S.L.I.

The annual meeting of the General Agents & Managers Association followed the 1-2-0 and 2-5-0 convention. Officers elected are: President, Thomas C. Auld, Trenton; vice-president, Ray T. Moore, Cedar Rapids; secretary-treasurer, Philip C. Belber, Newark; directors, Morris H. Kaliff, San Antonio; Frank Y. Snell, Grand Rapids; Dwight G. Johnson, Philadelphia, and William R. Digman, Cincinnati.

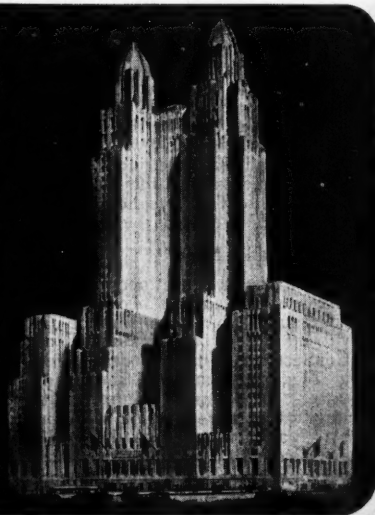
Henry Behr, who has been handling advertising and publicity for Guarantee Mutual Life at Omaha, on Dec. 1 will leave to join a Chicago advertising agency.

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